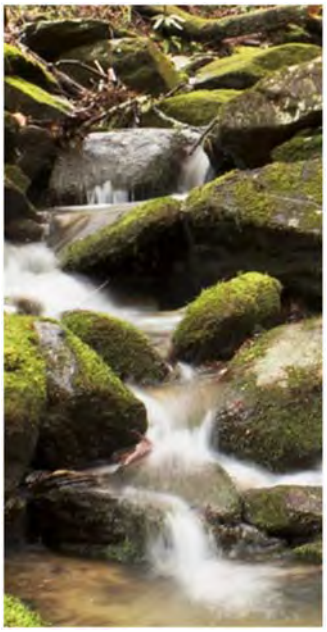

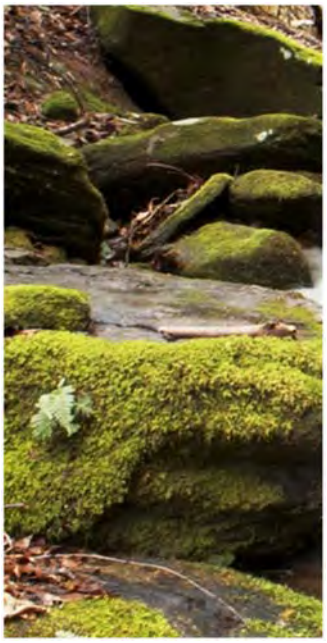

ALTAMONT ENVIRONMENTAL, INC.

ENGINEERING & HYDROGEOLOGY

Appraisal of Proof of Claim

Lane Venture

February 9, 2015

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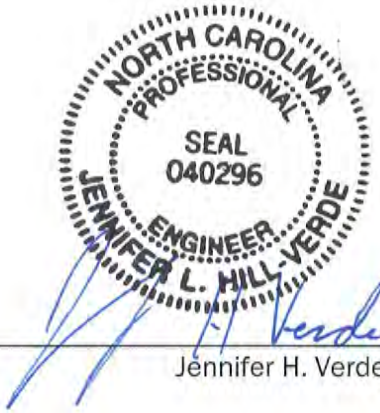

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Executive Summary

The Laneventure Industries, Inc. (Lane Venture) facility at 1405 Deborah Herman Road in Conover, NC (the Subject Site or Site) is the subject of a Proof of Claim filed by the North Carolina Department of Environment and Natural Resources (DENR) Division of Waste Management (DWM) Inactive Hazardous Sites Branch (IHSB) in the bankruptcy cases of Furniture Brands International, Inc. (n/k/a FBI Wind Down, Inc.) and its affiliated debtors. Prior to the bankruptcy, Lane Furniture Industries, Inc. (n/k/a LFI Wind Down, Inc.) owned the Site.

The Site was reportedly utilized for manufacturing purposes since approximately 1969. Environmental assessments and monitoring conducted between 2012 and 2013 have documented environmental impacts at the Site and, as a result, the Site is listed on the IHSB Inventory of Inactive Sites.

The Proof of Claim states that the DWM is tasked with the responsibility of effecting assessment and remediation of inactive hazardous substance disposal sites in North Carolina and that an estimated $4,089,688.13 will be required to complete assessment and cleanup at the Site. This is based on the assumption that groundwater has not been completely assessed at the Site and that active groundwater remediation and hydraulic control will be required as the site remedy.

Altamont Environmental Inc. (Altamont) was retained by counsel to evaluate the Proof of Claim and relevant Site documents in order to provide a summary of current and historical Site conditions, to estimate the probable cost of additional assessment and remedial/management measures, and to provide an opinion of probable cost to achieve remedial goals for the Site.

Altamont's review of the assessment and monitoring data is summarized as follows:

- No impacts to soil have been detected.
- Groundwater impacts have been delineated to the north and east. One contaminant of concern (1,1-dichloroethane) has been detected at concentrations in excess of the applicable standard in the northeastern portion of the Site. Potential impacts from a former septic drainfield located in the central portion of the site have not been fully assessed. Three additional shallow wells and two additional deep wells located downgradient of facility operations are recommended to complete the groundwater assessment.
- Based on groundwater data for identified contaminants of concern and the depth to groundwater, soil gas impacts do not appear to be a concern.
- Receptor survey indicated that municipal water is available to the surrounding area and no active water supply wells are located within 1,500 feet of the Site.

Based on historical assessment and current conditions, active remediation and hydraulic control of groundwater is not a likely Site remedy. Following additional assessment, groundwater will likely require long-term monitoring and natural attenuation.

Altamont estimates that the cost to complete the required assessment and to implement the recommended remedies is approximately $295,000.

1.0 Introduction

On September 9, 2013, Furniture Brands International, Inc. (n/k/a FBI Wind Down, Inc.) (FBI) and its U.S. subsidiaries filed voluntary chapter 11 bankruptcy petitions with the United States Bankruptcy Court for the District of Delaware. Prior to the bankruptcy, Lane Furniture Industries, Inc. (n/k/a LFI Wind Down, Inc.) (Lane Furniture) owned the site (Site), which is located at 1405 Deborah Herman Road and which was reportedly used for manufacturing purposes since approximately 1969. A Site Location Map is included as Figure 1. Figure 2 is a site aerial map with parcel boundaries obtained from the Catawba County Tax Office that illustrates the layout of the Lane Venture facility and relevant site features.

Multiple site assessments have been conducted since environmental due diligence activities were initiated in 2012 and these assessments have documented environmental impacts at the Site. As a result, the Site is listed on the State of North Carolina, Department of Environment and Natural Resources, Division of Waste Management (DWM), Superfund Section, Inactive Hazardous Sites Branch (DWM-IHSB or IHSB) inventory (ID # NONCD0002917), and FBI is listed as the responsible party.

On March 5, 2014, the DWM filed two Proofs of Claim in the bankruptcy cases of FBI and its affiliated Debtors (the Proof of Claim)[1] with respect to the environmental impacts at the Site. The Proof of Claim states that the DWM is tasked with the responsibility of effecting assessment and remediation of inactive hazardous substance or waste disposal sites in North Carolina, and that an estimated $4,089,688.13 will be required to complete assessment and cleanup at the Site.

Altamont Environmental, Inc. (Altamont) was retained by counsel to evaluate the Proof of Claim and relevant Site documents in order to provide a summary of current and historical Site conditions, estimate the probable cost of additional assessment and remedial/management measures, and provide an opinion of probable cost to achieve remedial goals for the Site. This report provides an overview of Site use history, a summary of findings associated with multiple environmental assessments at the Site, and Altamont's opinion of probable cost to address the environmental impacts at the Site.

1.1 Site Background

The Site has reportedly been used for a furniture manufacturing facility since the late 1960s. The Site was reportedly farmed from approximately 1951 until construction of the furniture manufacturing facility. Based on Catawba County property cards, development of the Site historically included a 147,000-square-foot (ft^2) building (Plant #14), which was constructed in 1969, and the 75,000-ft^2 Plant #9 building located to the west. A 120,000-ft^2 addition to the southern end of Plant #14 was reportedly constructed in the 1980s. An off-Site building (Plant #10), which was reportedly constructed in 1966 and has previously been associated with the Site facility operations, is located on a parcel north of the Site at 205 Workman Street.

Based on a Phase I Environmental Site Assessment, Lane Venture used the site for manufacturing of outdoor furniture made of wood, wicker, and aluminum. The wicker and aluminum frames were reportedly imported and not manufactured on-Site. Primary on-Site operations have included wood machining, furniture assembly (with glue), and upholstering. Secondary operations have included computer numerical control (CNC) machining, sanding, painting/coating, and sewing. The Lane Venture Plant # 14 Site has reportedly been identified as a Resource Conservation and Recovery Act (RCRA) Small Quantity Generator (SQG) for the generation and storage of hazardous waste at the site in the form of spent non-halogenated solvents.

[1] The two Proofs of Claim filed by the DWM with respect to the Site (claim no. 4091 against FBI and claim no. 4095 against Lane Furniture) appear to be identical, except for the debtor name and the assigned proof of claim number.

1.2 Regulatory History

Environmental assessments were conducted for the prospective purchaser, Pathlight Capital LLC, as part of due diligence activities in 2012 and 2013. No impacts to soil were identified at the Site in the vicinity of Plant #9 and Plant #14 or off-Site in the vicinity of Plant #10 during a Phase II Limited Site Assessment (LSI) conducted by VERTEX Environmental Services. Groundwater impacts were identified in the vicinity of Plant #14 in 2013, during the LSI. No groundwater impacts were identified in the vicinity of Plant #10, which is located on an off-Site parcel north of Plant #14 at 205 Workman Street SW. Subsequent groundwater sampling in the vicinity of Plant #14 conducted by Mountain Environmental Group (Mountain) in 2013 confirmed detections of a chlorinated solvent (1,1-dichloroethane) in groundwater.

A Notification of an Inactive Hazardous Substance or Waste Disposal Site was submitted on behalf of Lane Furniture to the IHSB on April 25, 2013. A Site Cleanup Questionnaire was submitted to the IHSB on May 6, 2013. Subsequently, a Notice of REC (Registered Environmental Consultant) Program Eligibility was issued by the IHSB on May 15, 2013. The REC Program allows for approval and certification of reports and cleanup activities at the Site by a properly certified REC in lieu of direct oversight by IHSB. The Site was assigned IHSB Site ID #NONCD0002917.

1.3 Current Site Use

At the time of the site visit conducted by Altamont on July 22, 2014, the Plant #14 and Plant #9 building remained at the Site and appeared to be used for furniture manufacturing operations. However, according to Site representative, Mr. David Stout, both Plant #14 and Plant #9 have since been shut down.

2.0 Summary of Site Conditions

2.1 Document Review

Altamont reviewed additional available documents associated with environmental assessment of the Site. As stated in the Proof of Claim, there are three records prepared on behalf of Lane Venture and submitted to the IHSB, which are filed under the IHSB Incident number for the Site in the DWM online database (CARA Portal). Additionally, there is one letter on the CARA portal, which was prepared by the IHSB and issued to FBI. Altamont also reviewed two draft documents provided by FBI, which were associated with due diligence activities performed by VERTEX Environmental Services, Inc. at the Site in 2012 and 2013. Documents reviewed are summarized below:

- *Draft Phase I Environmental Site Assessment, Laneventure*, VERTEX Environmental Services, Inc., October 15, 2012.

  VERTEX completed a Phase I Environmental Site Assessment (ESA) on the Lane Venture property located at 1405 and 1409 Deborah Herman Road SW and 205 Workman Street SW in Conover, North Carolina for Pathlight Capital LLC. The Phase I ESA indicated that the current and historical use of the property was for furniture manufacturing. VERTEX reported that four underground storage tanks (USTs), which were previously located north of the Site at the 205 Workman Street Lane Venture facility, were removed in August 1989. Reportedly, sampling conducted in September 1989 indicated TPH concentrations ranging from 1.7 mg/kg to 2.5 mg/kg. The NC Department of Environment and Natural Resources (DENR issued a no further action letter for the closure of the USTs.

  Four dip tanks were observed by VERTEX inside the Plant #14 building. The dip tanks reportedly contained water-based primers and were constructed of concrete with a steel lining and VERTEX indicated that the tanks were not considered to be a concern. The use of hazardous materials in manufacturing, including solvents, and the generation of hazardous waste combined with the use of a septic system prior to the early 1980s, was identified as a recognized environmental condition.

- *Draft Phase II Limited Subsurface Investigation, Laneventure,* VERTEX Environmental Services, Inc., February 1, 2013.

  VERTEX completed a Phase II Limited Subsurface Investigation (LSI), which included the installation of six soil borings, four of which were subsequently constructed as temporary groundwater monitoring wells to a depth of 50 feet. Soil samples were collected from depth intervals of 6 to 8 feet and 8 to 10 feet. Laboratory analytical results indicated that the soil samples had no detections of Total Petroleum Hydrocarbons (TPH) diesel range organics (DRO), polycyclic aromatic hydrocarbons (PAHs), or volatile organic compounds (VOCs). Groundwater samples were obtained from two temporary groundwater monitoring wells VES-3 (OW) and VES-4 (OW). Samples were not collected from the other two temporary wells due to insufficient water. PAHs were not detected in analyzed groundwater samples. One VOC, 1,1-dichloroethane was detected in VES-4 (OW) at a concentration (19 micrograms per liter [µg/L]) in excess of the applicable DENR Title 15A North Carolina Administrative Code (NCAC) 2L groundwater standard (2L standard) of 6 µg/L. Sampling locations and results are indicated on VERTEX LSI Figure 2 and Tables 1 and 2, which are provided in Appendix A.

- *Groundwater Assessment, Lane Venture Plant 14,* Mountain Environmental Group, March 25, 2013.

  In March 2013, Mountain installed three groundwater monitoring wells on the Site and collected groundwater samples for VOC analysis. Mountain also determined groundwater flow direction. The wells were screened from 45 to 65 feet below ground surface (ft-bgs). Groundwater depths ranged from 47.21 ft-bgs in MW-1 to 51.29 ft-bgs in MW-3. One compound, 1,1-dichloroethane, was

detected in MW-1, which is located directly north of the Plant #14 building. The 1,1-dichloroethane concentration (17.9 µg/L) exceeded the (2L standard) of 6 µg/L. Three trihalomethane compounds, bromodichloromethane, dibromochloromethane, and chloroform were detected in MW-2, which is located at the northeast property boundary. Bromodichloromethane (3.9 µg/L) and dibromochloromethane (2.5 µg/L) concentrations exceeded their respective 2L standards (0.6 µg/L and 0.4 µg/L). No VOCs were detected in MW-3, which is located at the eastern property boundary. Based on groundwater level measurements, groundwater was determined to flow to the southwest. Sampling locations and results are indicated on Figure 2, which is included in Appendix B.

- *Notification of an Inactive Hazardous Substance or Waste Disposal Site, Lane Venture Plant 14,* Mountain Environmental Group, April 25, 2013.

  The IHSB Notification, signed by Lane Venture representatives on April 25, 2013, was prepared by Mountain on behalf of Lane Venture. The Notification describes current Site ownership by Lane Furniture Industries Inc. and use of the Site for furniture manufacturing. Listed site environmental permits included an Environmental Protection Agency (EPA) SQG permit, Prohibitory Small Air Permit, and a National Pollutant Discharge Elimination System (NPDES) Stormwater Permit. The Notification indicated that 1,1-dichloroethane was detected in groundwater, but no on-Site release of 1,1-dichloroethane was known. It also indicated that four dip tanks were reportedly used for water-based finishes and one solvent-based wash-off tank was reportedly not in-use, since wash-off was now done with 1-gallon buckets and rags. No water supply sources, including springs, wells, or surface water intakes were identified on-Site. Neither the presence nor absence of water supply wells on adjacent properties was noted. A tributary to Cline Creek was identified approximately 200 feet west of the site.

- *Site Cleanup Questionnaire, Lane Venture Plant 14*, Mountain Environmental Group, May 6, 2013.

  The IHSB Questionnaire, dated May 6, 2013, was prepared by Mountain on behalf of Lane Venture. Site assessment work completed prior to May 6, 2013 was used to complete the questionnaire. Assessment work to date was summarized in the Questionnaire. No water supply wells were determined to be located within 1,500 feet downgradient of the Site. The Questionnaire indicated that the closest downstream surface water intake was located in Mooresville, North Carolina at a distance greater than 20 miles from the Site.

- *Notice of REC Program Eligibility, Lane Venture Plant 14*, IHSB, May 15, 2013.

  The IHSB issued a letter to FBI indicating that the IHSB has reviewed the three submitted documents for the Site (Notification of an Inactive Hazardous Substance or Waste Disposal Site, Site Cleanup Questionnaire, and Groundwater Assessment Report). The letter stated the IHSB determined that the Site can be cleaned up through the REC Program without direct oversight by Branch Staff.

2.2 Site Reconnaissance

Altamont conducted a site visit of the Lane Venture facility on July 22, 2014 to observe current site conditions. A site layout map is included as Figure 2. Site photos are included as Appendix C. Site representative, Mr. David Stout, accompanied Altamont and provided access to the Site. Mr. Stout is the Director of Environmental Compliance with Heritage Home Group, LLC, which acquired substantially all the assets of FBI and its subsidiaries, including the Site, through a bankruptcy sale.

Both the Plant #14 building and Plant #9 building remained at the Site and appeared to continue to be used for furniture manufacturing operations. Adjoining property uses were observed from the Site. The Plant #10 building associated with the Lane Venture manufacturing operation was observed to the north of the Site across Deborah Herman Road. A bedding product manufacturing and distribution center, Leggett & Platt,

was observed to the east of the Site. Undeveloped, wooded land was observed to the south and west of the Site.

Altamont observed the three permanent monitoring wells, which were installed in 2013. Mr. Stout stated that he was aware of the detection of 1,1-dichloroethane in groundwater north of the Plant #14 building. However, Mr. Stout indicated that he reviewed documentation of solvent use at the facility and could not find record of products used at the facility that contained 1,1-dichloroethane. Mr. Stout indicated that the location of the former septic drainfield for the Site was beneath the southern addition to the Plant #14 building. According to Mr. Stout, the facility discontinued use of the septic system in the 1970s.

2.3 Contaminants of Concern

No contaminants were detected in the four soil samples, which were collected on-Site and analyzed for TPH-DRO, PAHs, and VOCs.

Three VOCs, 1,1-dichloroethane, bromodichloromethane, and dibromochloromethane, have been detected in Site groundwater at concentrations in excess of the applicable 2L standard. One VOC, chloroform, was detected at a concentration below the 2L standard.

Bromodichloromethane, dibromochloromethane, and chloroform were all detected in MW-2. These three trihalomethane compounds are identified by the EPA as disinfection byproducts, which are produced during the chlorination of water and wastewaters. Trihalomethanes detected in groundwater are commonly associated with water infiltration from municipal water distribution systems (i.e., leaking water pipes) (US Geological Survey [USGS] 2005).

MW-2 is located in the vicinity of a subsurface vault associated with distribution lines for the fire suppression system at the facility. The concentration of trihalomethanes detected in MW-2 is within the range found in studies of trihalomethane occurrence in water supply wells nation-wide (USGS 2006). Trihalomethane compounds were not detected in downgradient wells VES-4(OW) or MW-1. Thus the type, concentration, and location of the compounds detected in MW-2 are indicative of infiltration of treated municipal water.

The compound 1,1-dichloroethane has been detected in temporary monitoring well VES-4(OW) and in monitoring well MW-1, which are located adjacent to each other. No contaminants have been detected in monitoring well MW-3, located east of these wells or in temporary monitoring well VES-3(OW), located southwest of these wells. Based on these findings, the only contaminant of concern identified at the Site is 1,1-dichloroethane.

2.4 Regulatory Authority

Assessment and cleanup of non-petroleum, hazardous substances, and pollutants impacting soil and groundwater are overseen by the Superfund Section of the DENR. The IHSB is a branch of the Superfund Section. It maintains regulatory oversight for sites such as the Lane Venture Site, where the responsible party no longer operates a facility. Further discussion of responsibilities of the UST Section and the IHSB is included in Section 2.8 Cleanup Goals.

2.5 Areas of Concern

2.5.1 Soil

No contaminants were detected in soil samples, which were collected to the north, southeast, southwest, and west of Plant #14.

2.5.2 Groundwater

Contaminants of concern have been detected in wells VES-4 OW and MW-1 which are located on-Site directly north of the Plant #14 building in first encountered groundwater at a depth of approximately 50 ft-bgs. The groundwater flow direction is to the southwest (Mountain 2013). No contaminants of concern have been detected in groundwater samples collected to the south or southwest of the Plant #14 building. Based on groundwater sampling conducted in 2012 and 2013, the area of concern for groundwater appears to be limited to the northeastern portion of the Site. However, a former septic drainfield is reported to be located beneath the southern addition to the Plant #14 building. Soil samples collected to the southeast, southwest, and west of the Plant #14 building did not have detectable concentrations of contaminants. The groundwater sample, VES-3(OW), collected west of the Plant #14 building did not have detectable concentrations of contaminants. These data suggest that the septic system has not impacted groundwater; however, groundwater has not been assessed downgradient (southwest) of the former septic drainfield.

2.5.3 Soil Gas

IHSB guidelines indicate that soil gas assessment may first be accomplished by comparison of groundwater data to IHSB Groundwater Screening Levels (GWSLs). The IHSB publishes GWSL tables for both Commercial/Industrial and Residential properties. An exceedance of the GWSLs indicates there is the potential for vapor intrusion to impact a property. One compound, chloroform, was detected at a concentration that exceeded the GWSL for Commercial/Industrial and Residential properties. However, chloroform was only detected in one location at the upgradient, northeastern property boundary, and is likely attributable to the infiltration of treated municipal water. Comparison of the GWSL to groundwater data for the identified contaminant of concern, 1,1-dichloroethane, indicates that neither the Residential nor Industrial/Commercial GWSLs are not exceeded.

2.6 Estimated Extent of Contamination

Based on groundwater sampling conducted in 2012 and 2013, groundwater impacts appear to be limited to the northeastern portion of the Site, directly north of Plant #14. The groundwater flow direction determined during the groundwater assessment conducted in February 2013 is to the southwest. No contaminants were detected in VES-3(OW), which is located approximately 600 feet southwest of the impacted wells (MW-1 and VES-4[OW]). 1,1-dichloroethane was not detected in monitoring wells MW-2 or MW-3, which are located 300 feet northeast and 250 feet east of the impacted wells, respectively. Groundwater has not been investigated west of the impacted monitoring well MW-1 and the temporary monitoring point, VES-4(OW).

2.7 Data Gaps

The extent of shallow groundwater contamination appears to be delineated within the Site to the northeast and east. Additional investigation would be required to delineate groundwater impacts to the west of chlorinated solvent impacts and the southwest of the former septic system. Deep bedrock groundwater has not been investigated.

2.8 Cleanup Goals

The DWM IHSB is responsible for oversight of assessment and remediation of accidental releases of hazardous substances with certain exceptions. In general, industrial-related non-petroleum contamination to soil and/or groundwater for sites that are not currently permitted by other state agencies falls within the purview of the IHSB.

Soil assessment results for IHSB incidents are compared to three standards: Protection of Groundwater, Residential, and Industrial Preliminary Soil Remediation Goals (PSRGs). The standards are considered preliminary because they may be adjusted in certain site-specific situations. Altamont has considered the soil data reported for the Soil and determined that, since no contaminants were detected, there are no exceedances of Residential or Industrial PSRGs. Based on the available data, soil remediation is not necessary.

Altamont compared the reported groundwater assessment results to the NCAC 2L standards (groundwater standards). Limited exceedances of groundwater standards were noted. Altamont also noted that a well survey has been completed in the vicinity of the Site and there were no water supply wells identified. IHSB rules allow for a monitored natural attention remedy at sites where a well survey has determined there are no groundwater receptors. Based on the available data, monitored natural attenuation is the likely remedial action for groundwater impacts at the Site.

The IHSB formally considers the vapor intrusion pathway as part of site assessment. Altamont compared the groundwater data for the Site to GWSLs in order to determine whether there is potential for vapor intrusion to impact site structures. There are separate GWSLs for residential and commercial/industrial properties. If there is no exceedance, no further assessment of the vapor intrusion pathway is necessary. Considering the on-Site and adjacent land usage, Altamont compared Site data to both Commercial/Industrial GWSLs (for on-Site) and to Residential GWSLs (for off-Site). With the exception of chloroform in monitoring well MW-2, which is located on the eastern perimeter of the Site, GWSLs have not been exceeded. The chloroform concentration in groundwater in the northwest corner of the Site (56.5 µg/L) slightly exceeds the Commercial/Industrial GWSL (35.5 µg/L). As noted above, it is likely that the chloroform concentration is attributable to the infiltration of treated municipal water from nearby subsurface distribution lines for the fire suppression system at the facility. Based on these data, vapor intrusion does not appear to be a risk at the Site.

3.0 North Carolina Division of Waste Management—Proof of Claim

The DWM Proof of Claim dated March 5, 2014 includes a Declaration from David E. Ramey (Ramey Declaration or Declaration), a hydrogeologist with the DWM. The Proof of Claim is included as Appendix D. Based on his review of environmental assessment documents related to the Site, Mr. Ramey estimated that additional environmental assessment and remediation of the Site would cost $4,089,688.13. As stated in the Proof of Claim, actual costs of assessment and remediation may vary, and a firm estimate is dependent upon complete assessment of the Site.

Mr. Ramey states in his Declaration that there are three records in the DWM files associated with the Site. The document dates for the three records range from March 25, 2013 to May 6, 2013. Mr. Ramey attached 7 exhibits to the Declaration in support of his estimate (Exhibits 1 through 7). The Exhibits are listed and briefly described below.

1. Exhibit 1 consists of two figures. Figure 1 is a well location map with posted groundwater elevations measured on February 21, 2013. The depicted groundwater flow direction is to the southwest. Figure 2 is a groundwater quality map, which illustrates the groundwater contaminant concentrations from samples obtained from monitoring wells MW-1, MW-2, and MW-3 on February 21, 2013. The source of the figures is not listed in the exhibit, but based on Altamont's review of documents in the DWM files, it appears they are Figures 1 and 2 from the Groundwater Assessment report prepared by Mountain dated March 25, 2013.
2. Exhibit 2 is a contract authorization for shallow groundwater assessment for the Cone Mills Site in Haw River, NC. The DWM was contracting with Solutions-IES for work to be conducted between July and October 2008. This exhibit is offered as an example of costs associated with shallow groundwater assessment at another site that the DWM has experience with. The estimate is dated July 30, 2008. The contract amount of $5,650 is based on an assumption that one, 50-foot deep temporary monitoring well would be installed by air rotary method, sampled, and abandoned, investigative-derived waste (IDW) would be containerized, and laboratory results would be submitted to the IHSB. The exhibit included, as an illustration, an estimated cost for a limited shallow groundwater assessment (five wells) which was $33,000.
3. Exhibit 3 is a printout of a Consumer Price Index calculation indicating that that $33,000 in 2008 as the same buying power as $35,888.57 in 2013 dollars.
4. Exhibit 4 is a cost estimate for groundwater assessment for the Atkinson Street Site in Hamlet, NC. The groundwater contaminants of concern were chlorinated solvents. The cost estimate was prepared by Solutions-IES for work to be conducted on behalf of the DWM in 2009. This exhibit was offered as an example of costs associated with deep groundwater assessment at another site that the DWM has experience with. The estimate is dated January 28, 2009. The estimate amount is $58,193.00 and includes all drilling, soil and groundwater sampling, IDW management, and reporting activities to be conducted in association with the installation of five, 2-inch diameter 90-foot-deep monitoring wells.
5. Exhibit 5 is a printout of a Consumer Price Index calculation indicating that $58,193.00 in 2009 would have the same buying power as $63,512.74 in 2013 dollars.
6. Exhibit 6 is an excerpt from a Remedial Action Plan (RAP) Amendment prepared by Matrix Environmental, Inc. for the Abbott Laboratories Site in Laurinburg, NC in June 2002. The excerpt provides a cost estimate to remediate chlorinated solvent-impacted groundwater through a combination of hydrogen release compound (HRC) injection and a groundwater pump and treat system. The RAP indicates that the source of groundwater contamination is an evaporation pit that was used for the disposal of solvents from 1970 to 1976. This exhibit was offered as an example of costs associated with groundwater remediation and hydraulic control of a contaminant plume at

another site that the DWM has experience with. The estimate amount is $3,065,794.00 and includes additional characterization wells, injection wells, remediation, sampling, and reporting activities to be conducted at the Abbott Laboratories Site over an 8-year period and includes a 20 percent contingency.

7. Exhibit 7 is a printout of a Consumer Price Index calculation indicating that the 2002 groundwater remediation amount for the Abbott Laboratories Site would be equivalent to $3,990,286.82 in 2013 dollars.

4.0 Probable Additional Assessment

Altamont has considered the available Site data and has summarized it in this report to identify the likely assessment and remedial action steps necessary for the Site. The extent of shallow groundwater contamination appears to be delineated within the Site to the northeast and east. The data reviewed indicate that additional assessment is required at the Site to comply with IHSB requirements. Additional investigation would be required to delineate groundwater impacts to the west of known chlorinated solvent impacts and potential impacts downgradient of the former septic system. This will likely include the following components:

- Prepare a Remedial Investigation (RI) work plan.
- Install one shallow (60-ft-bgs) and one deep (120-ft-bgs) groundwater monitoring well to the west of existing MW-1.
- Install two shallow and one deep groundwater monitoring well to the southwest (downgradient) of the former septic drainfield.
- Sample the new wells and the existing wells for VOCs.

Additional assessment can likely be summarized in one RI Report. Following completion of the RI, remedial actions will be proposed in a RAP. A probable remedy for the Site is described in Section 5.

5.0 Probable Remedy

The IHSB has determined that the Site can be addressed through the REC Program without direct oversight by IHSB. Based on Altamont's understanding of the Site and our experience with similar projects in the REC Program, the most probable Site remedy going forward is monitored natural attenuation (MNA).

The following items have been considered in determining a probable remedy for remaining environmental concerns at the Subject Site.

- Chlorinated solvent impact (1,1-dichloroethane) in first encountered groundwater (approximately 50 ft-bgs) appears localized and has been assessed to the northeast, east, and southwest. Based on concentrations in existing monitoring wells and groundwater flow direction, one additional well to the west is recommended to complete shallow groundwater assessment of chlorinated solvent impacts detected in the northeastern portion of the site.
- No active water supply wells have been found within 1,500 feet of the Site.
- Impacts to deep groundwater have not been assessed and chlorinated solvents (such as 1,1-dichloroethane) have the potential to migrate downward. In the absence of water well receptors, chlorinated solvent risk is typically driven by vapor intrusion risk, which is determined by chlorinated solvent concentrations in shallow groundwater. Concentrations of 1,1-dichloroethane detected at the Site are below vapor intrusion groundwater screening levels.
- A former septic drainfield is reported to be located beneath the southern addition to the Plant #14 building. Soil samples collected to the southeast, southwest, and west of the Plant #14 building did not have detectable concentrations of contaminants. The groundwater sample, VES-3(OW), collected west of the Plant #14 building did not have detectable concentrations of contaminants. However, groundwater has not been assessed downgradient (southwest) of the former septic drainfield.

Based on the apparent lack of hazards posed by on-Site impact, the most probable Site remedy, following assessment and delineation of potential source areas, is MNA. Active remediation of groundwater using methods such as pump and treat or in-situ biological treatment do not appear likely, considering the low concentration of VOCs in groundwater, the location of the impacts, and the lack of receptors.

According to IHSB guidelines, prior to implementation of MNA, a RAP and public notice period would be required. The remedial action plan would include development of a Site conceptual hydrogeologic model, an analysis of exposure pathways, and a comprehensive review of multiple Site remedies. After selection of a remedy, public notice requires 30 days and then the selected remedy may be implemented.

6.0 Opinion of Probable Costs

Altamont has been providing environmental assessment and remediation services throughout North Carolina and the southeastern United States for 18 years. Our experience includes work on federal Superfund sites as well as assessment, remediation, and closure of multiple state-led Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), IHSB REC Program, and Resource Conservation and Recovery Act (RCRA) projects. Based on our experience with similar projects and a thorough review of Site environmental data, Altamont offers the following estimated costs to closure for the IHSB incident at the Subject Site.

The costs are based on recommendations for installation of six additional groundwater monitoring wells and long-term groundwater monitoring. Standard IHSB reporting requirements for preparation of an RI report, RAP, and RAP implementation are included. The IHSB REC Program invoices initial and annual fees to remediators conducting voluntary cleanups. The amount of the fees is determined by the REC Program. The estimate for REC Program fees is based upon recent IHSB invoicing for similar sites. Consistent with the estimate included with the Ramey Declaration, a 20 percent contingency is also included.

- Complete groundwater assessment (Remedial Investigation)—$61,000
- Complete remedial action plan (RAP)—$17,000
- Implement monitoring and natural attenuation RAP (30 year monitoring)—$172,900
- IHSB REC Program fees—$44,100

Table 1 provides a cost comparison between the Ramey Declaration recommendations for additional Site work and Altamont's recommendations for additional Site work. Table 2 provides a further breakdown of costs.

7.0 References

IHSB. *Notice of REC Program Eligibility, Lane Venture Plant 14*. May 15, 2013.

Mountain Environmental Group. *Groundwater Assessment, Lane Venture Plant 14*. March 25, 2013.

Mountain Environmental Group. *Notification of an Inactive Hazardous Substance or Waste Disposal Site, Lane Venture Plant 14*. April 25, 2013.

Mountain Environmental Group. *Site Cleanup Questionnaire, Lane Venture Plant 14*. May 6, 2013.

North Carolina Division of Waste Management. *Proof of Claim, Lane Venture Furniture Industries, Inc.* March 6, 2014.

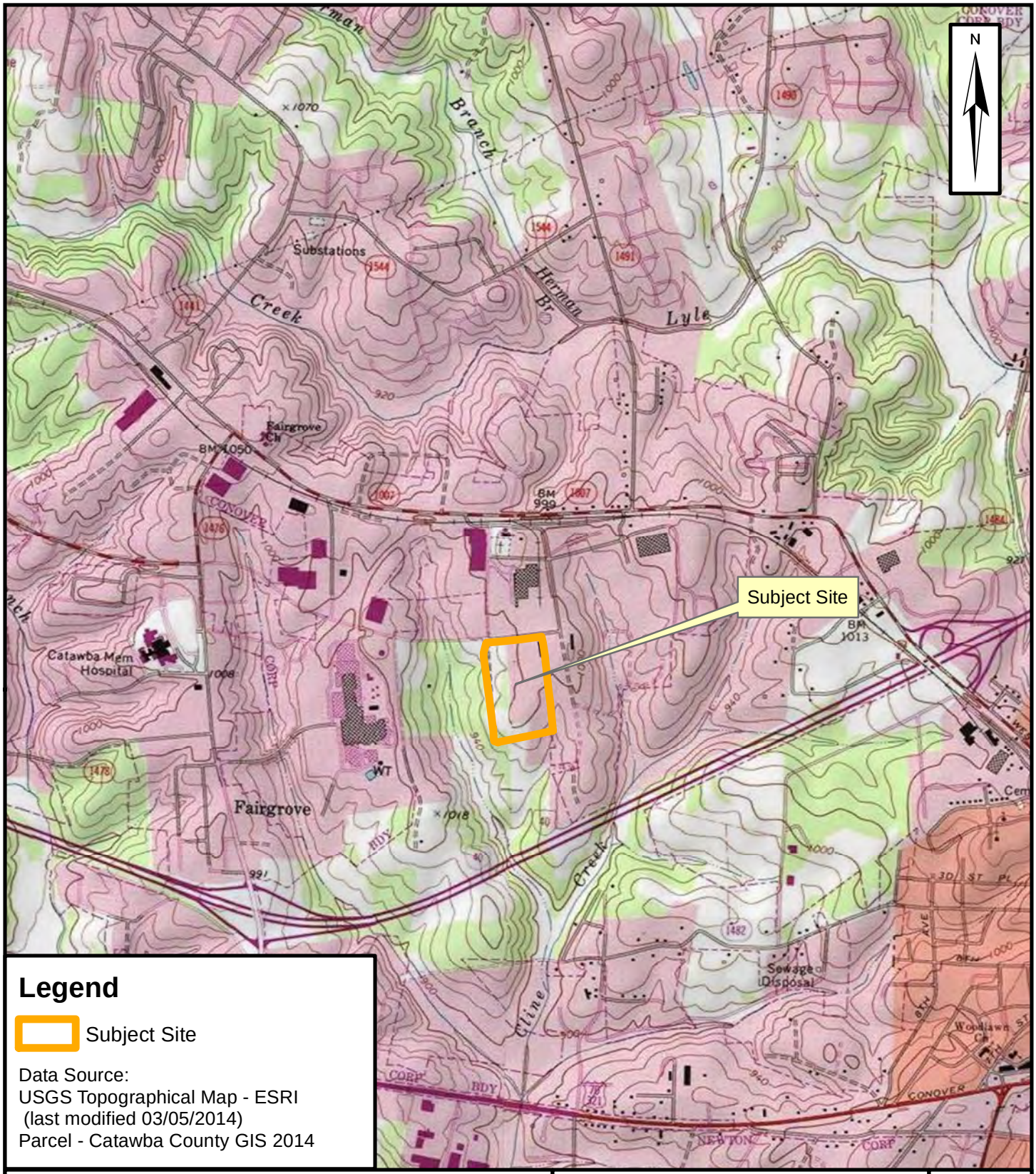
USGS. 2005. *USGS Circular 1292*. "Volatile Organic Compounds in the Nation's Ground Water and Drinking-Water Supply Wells".

USGS. 2006. *Sources and Occurrence of Chloroform and Other Trihalomethanes in Drinking-Water Supply Wells in the United States, 1986–2001*.

VERTEX Environmental Services, Inc., *Draft Phase I Environmental Site Assessment, Laneventure, October 15, 2012*.

VERTEX Environmental Services, Inc., *Draft Phase II Limited Subsurface Investigation, Laneventure, February 1, 2013*.

FIGURES



Legend

Subject Site

Data Source:
USGS Topographical Map - ESRI
(last modified 03/05/2014)
Parcel - Catawba County GIS 2014

ALTAMONT ENVIRONMENTAL, INC.
ENGINEERING & HYDROGEOLOGY
231 HAYWOOD STREET, ASHEVILLE, NC 28801
TEL 828.281.3350 FAX 828.281.3351
WWW.ALTAMONTENVIRONMENTAL.COM

SITE TOPOGRAPHICAL MAP

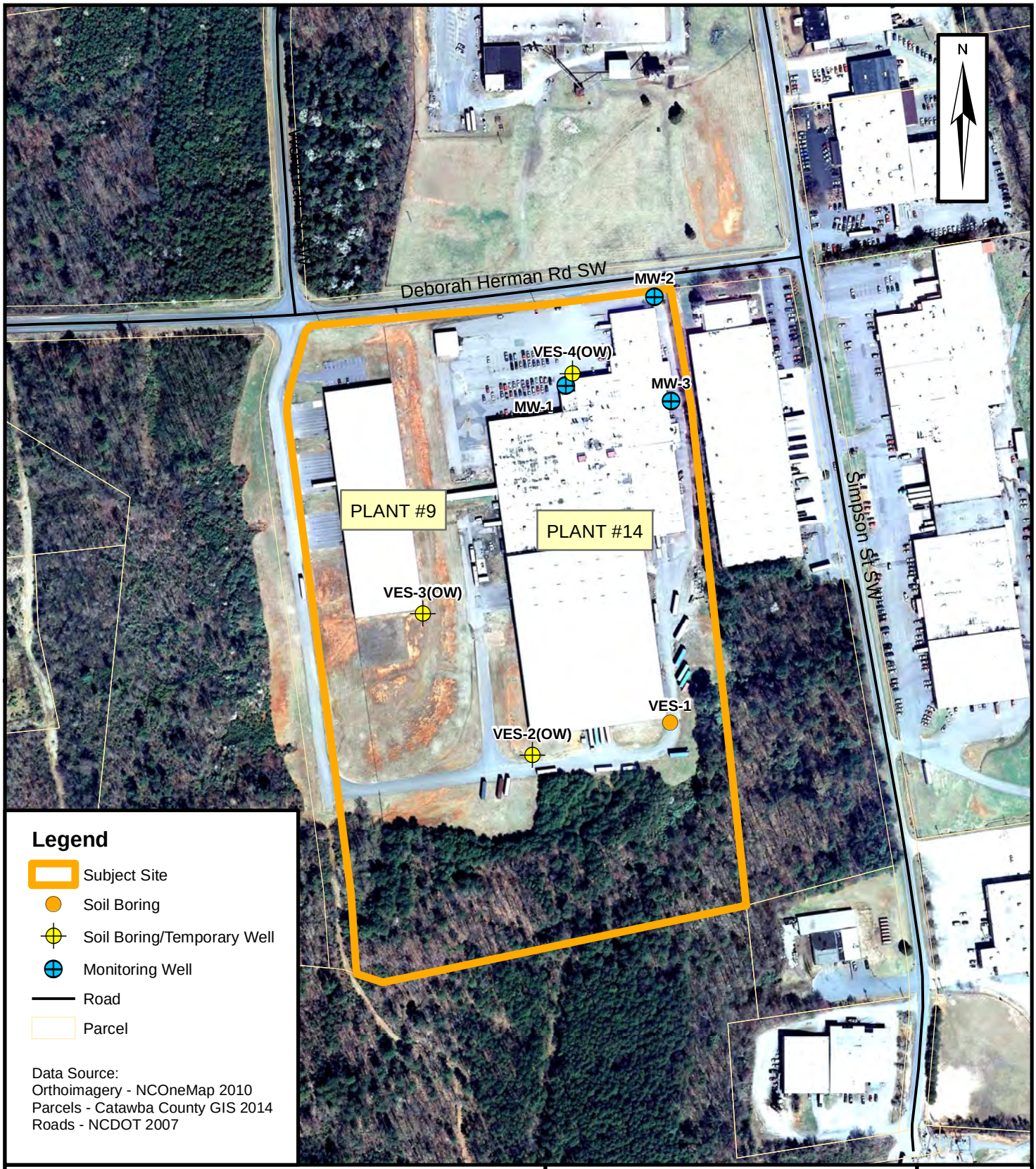
1405 DEBORAH HERMAN ROAD
CONOVER, CATAWBA COUNTY
NORTH CAROLINA

FIGURE
1

DRAWN BY: MEGAN STAMEY
PROJECT MANAGER: CHRIS GILBERT
CLIENT: PAUL HASTINGS, LLC
DATE: 08/11/2014

0 1,000 2,000 Feet

P:\PAULHASTINGS,LLC\LANEVENTURE\FIGURES\FIGUREI.MDX



Legend

- Subject Site
- Soil Boring
- Soil Boring/Temporary Well
- Monitoring Well
- Road
- Parcel

Data Source:
Orthoimagery - NCOneMap 2010
Parcels - Catawba County GIS 2014
Roads - NCDOT 2007

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WWW.ALTAMONTENVIRONMENTAL.COM

SITE AERIAL MAP

1405 DEBORAH HERMAN ROAD
CONOVER, CATAWBA COUNTY
NORTH CAROLINA

FIGURE
2

DRAWN BY: MEGAN STAMEY
PROJECT MANAGER: CHRIS GILBERT
CLIENT: PAUL HASTINGS, LLC
DATE: 08/13/2014

0 150 300 Feet

P:\PAULHASTINGS,LLC\LANEVENTURE\FIGURES\FIGURE2.MDX

TABLES

Table 1
Site Remedy - Opinion of Probable Costs
Lane Venture Facility
Conover, North Carolina

Recommendation in Ramey Declaration	Ramey Estimated Cost	Altamont Recommendation	Altamont Estimated Cost
Shallow groundwater assessment (Five 50-foot monitoring wells)	$35,888.57	Additional shallow groundwater assessment appears to be warranted. One additional shallow well is recommended west of the existing MW-1 and two additional shallow wells are recommended southwest of the former septic drainfield.	$17,000
Deep groundwater assessment (Five 90-foot monitoring wells)	$63,512.74	Vertical delineation of groundwater impact has not been conducted at the Site. Two deep delineation wells are recommended southwest of MW-1 and the septic drainfield. Complete RI Report.	$44,000
Active remediation of chlorinated solvent impact to groundwater (chemical oxidant injection and groundwater pump and treat)	$3,990,286.82	There are no water supply wells in use in the vicinity of the Site. Assessment to date indicates limited and localized chlorinated solvent impact to groundwater. The most likely long-term remedy for groundwater impact is monitoring and natual attenuation. A RAP with 30-year annual monitoring program, REC Program fees, and 20% contingency is estimated.	$234,000
Total:	$4,089,688.13		$295,000

Table 2
Detail of Site Remedy Probable Costs
Lane Venture Facility
Conover, North Carolina

Task 1 - Additional Assessment and Remedial Action Plan

Health and Safety Plan Preparation							
Consulting Professional	0.5	hour at	$	120.00	per hour	$	60.00
Professional I	2	hours at	$	80.00	per hour	$	160.00
					Subtotal	**$**	**220.00**
Buried Utility Location							
Ground Penetrating Radar	5	hours at	$	150.00	per hour	$	750.00
					Subtotal	**$**	**750.00**
Buried Utility Location Oversight							
Professional III	8	hours at	$	95.00	per hour	$	760.00
Mileage	180	miles at	$	0.61	per mile	$	109.80
					Subtotal	**$**	**869.80**
Permanent Monitoring Well Installation							
Decon Equipment and Staging	1	day at	$	350.00	per day	$	350.00
Per Diem	1	days at	$	300.00	per day	$	300.00
Grout Pump	1	day at	$	150.00	per day	$	150.00
55 gallon drums for investigative derived waste (IDW)	25	drums	$	125.00	each	$	3,125.00
Deep Monitoring Well Install							
Auger/Air Rig Mobilization	1	lump sum at	$	750.00	an event	$	500.00
Auger/Air Drilling 2 wells, 0-120 ft-bgs	240	feet at	$	28.00	per foot	$	6,720.00
Surface casing installation	240	feet at	$	42.00	per foot	$	10,080.00
Air hammer	20	feet at	$	25.00	per foot	$	500.00
Well installation	240	feet at	$	35.00	per foot	$	8,400.00
Shallow Monitoring Well Install							
HSA Mobilization	1	lump sum at	$	500.00	per event	$	500.00
Drilling Fees and Well Installation 3 wells, 60 ft-bgs	180	feet at	$	54.00	per foot	$	9,720.00
					Subtotal	**$**	**40,345.00**
Well Installation Oversight, Development, Sample Collection, Sample Analysis, and Elevation Measurement							
Professional III	60	hours at	$	95.00	per hour	$	5,700.00
Health and Safety Equipment	7	days at	$	10.00	per day	$	70.00
Sampling Supplies and Equipment	7	days at	$	250.00	per day	$	1,750.00
Per Diem	7	days at	$	150.00	day	$	1,050.00
Analytical Services - Groundwater Samples (VOCs)	8	samples at	$	120.00	per sample	$	960.00
Analytical Services - Groundwater Samples (SVOCs)	3	samples at	$	200.00	per sample	$	600.00
Analytical Services - Groundwater Samples - MNA Parameters	3	samples at	$	175.00	per sample	$	525.00
					Subtotal	**$**	**10,655.00**
IHSB Reporting							
Remedial Investigation Report	1	report	$	8,000.00	per report	$	8,000.00
Remedial Action Plan (RAP)	1	report	$	17,000.00	per report	$	17,000.00
					Subtotal	**$**	**25,000.00**
Total for Task 1					**Remedial Investigation and RAP Total**	**$**	**77,839.80**

Note 1: Laboratory fees are based on a 5-business-day turnaround time. Samples can be expedited for the following additional charges:
Three Business Days = 2.0 multiplier
Two Business Days = 2.25 multiplier
One Business Day = By Quote

Note 2: Drilling footages are an estimate. If additional footage is necessary, client will be billed consistent with the unit rates above.

Table 2
Detail of Site Remedy Probable Costs
Lane Venture Facility
Conover, North Carolina

Task 2 - Remedial Action Plan Implementation

Four Quarters of Groundwater Monitoring (1 year)

Health and Safety Plan Preparation

Consulting Professional	0.5	hour at	$	120.00	per hour	$	60.00
Professional I	1	hour at	$	78.00	per hour	$	78.00
					Subtotal	**$**	**138.00**

Sample Collection

Professional III	10	hours at	$	93.00	per hour	$	930.00
Health and Safety Equipment	1	day at	$	10.00	per day	$	10.00
Sampling Supplies and Equipment	1	lump sum at	$	250.00	per day	$	250.00
Analytical Services - Groundwater Samples - VOCs	5	samples at	$	120.00	per sample	$	600.00
Analytical Services - Groundwater Samples - SVOCs	2	samples at	$	200.00	per sample	$	400.00
Analytical Services - Groundwater Samples - MNA Parameters	3	samples at	$	175.00	per sample	$	525.00
					Subtotal	**$**	**2,715.00**

Quarterly Reporting

Project Manger	6	hours at	$	120.00	per hour	$	720.00
Consulting Professional I	4	hours at	$	97.00	per hour	$	388.00
Professional III	4	hours at	$	95.00	per hour	$	380.00
Clerical Staff	2	hours at	$	38.00	per hour	$	76.00
Professional I (Figure Drafting)	1	hours at	$	80.00	per hour	$	80.00
					Subtotal	**$**	**1,644.00**
					Total Per Quarter	**$**	**4,497.00**
					Total Per Year	**$**	**17,988.00**

Monitored Natural Attenuation (MNA) - 1 year of quarterly sampling, followed with annual monitoring for 30 years

Groundwater Monitoring

Quarterly Event	4	events	$4,497.00	each	17,988.00
Annual MNA Event (30 years)	1	event	$3,412.00	each	102,360.00
Annual Inflation of Service Fees (2%)	30	years	$359.76	per year	10,792.80

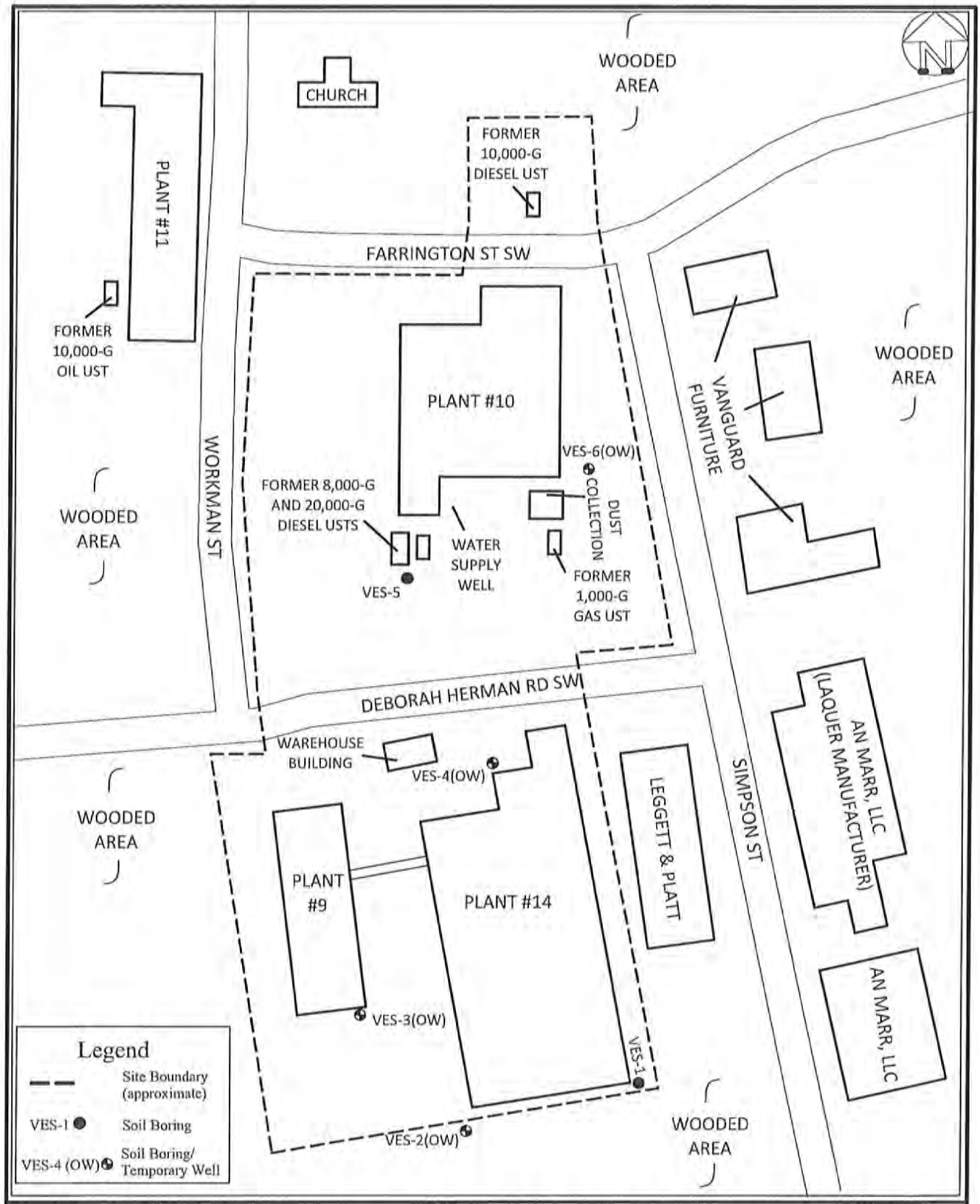
Total for Task 2 — **30-Year Annual Monitoring Total** **$ 131,140.80**

Summary of Estimated Costs

Remedial Investigation, Remedial Action Plan	$	77,839.80
30-year MNA	$	131,140.80
REC Program initial and annual fees ($2,500 and $1,300, respectively)	$	44,100.00
20% Contingency	$	41,796.12
Total for Tasks 1 and 2	**$**	**294,876.72**

APPENDICES

APPENDIX A



SITE SCHEMATIC 1405 & 1409 Deborah Herman Road SW & 205 Workman Street Conover, North Carolina	NOT TO SCALE January 2013 VERTEX PROJ. NO. 23742	VERTEX Environmental Services, Inc. **FIGURE NO. 2**

Table 1
Summary of Soil Analytical Results
1405 1409 Deborah Herman Road SW and 205 Workman Street SW
Conover, North Carolina, 28613
Vertex Project No. 23742

Location	NCDENR PSRGs	Units	VES-1 6-8'	VES-2 8-10'	VES-3 (OW) 8-10	VES-4 (OW) 6-8'	VES-5 8-10'	VES-6 8-10'
Sample Date			1/18/2013	1/17/2013	1/18/2013	1/17/2013	1/17/2013	1/17/2013
Volatile Organic Compounds (VOCs)								
All Target VOCs*	CD	mg/kg	ND (CS)	ND (CS)	ND (CS)	ND (CS)	ND (CS)	ND (CS)
Total Petroleum Hydrocarbons - Diesel Range Organics (TPH-DRO)								
TPH-DRO	NL	mg/kg	-	-	-	-	ND (5.1)	ND (5.7)
Polynuclear Aromatic Hydrocarbons (PAH)								
All Target PAHs*	CD	mg/kg	ND (CS)	ND (CS)	ND (CS)	ND (CS)	ND (CS)	ND (CS)

1) ND indicates non detect; laboratory Method Detection Limits in parenthesis.
2) NL = Not listed
3) CS = Compound Specific
4) Units: milligrams per kilogram (mg/kg).
5) Regulatory Criteria: North Carolina Department of Environmental and Natural Resources (NCDENR) Preliminary Soil Remediation Goals (PSRG)- dated July 2012.
6) * - See Laboratory Analytical Report for a full list of analytes

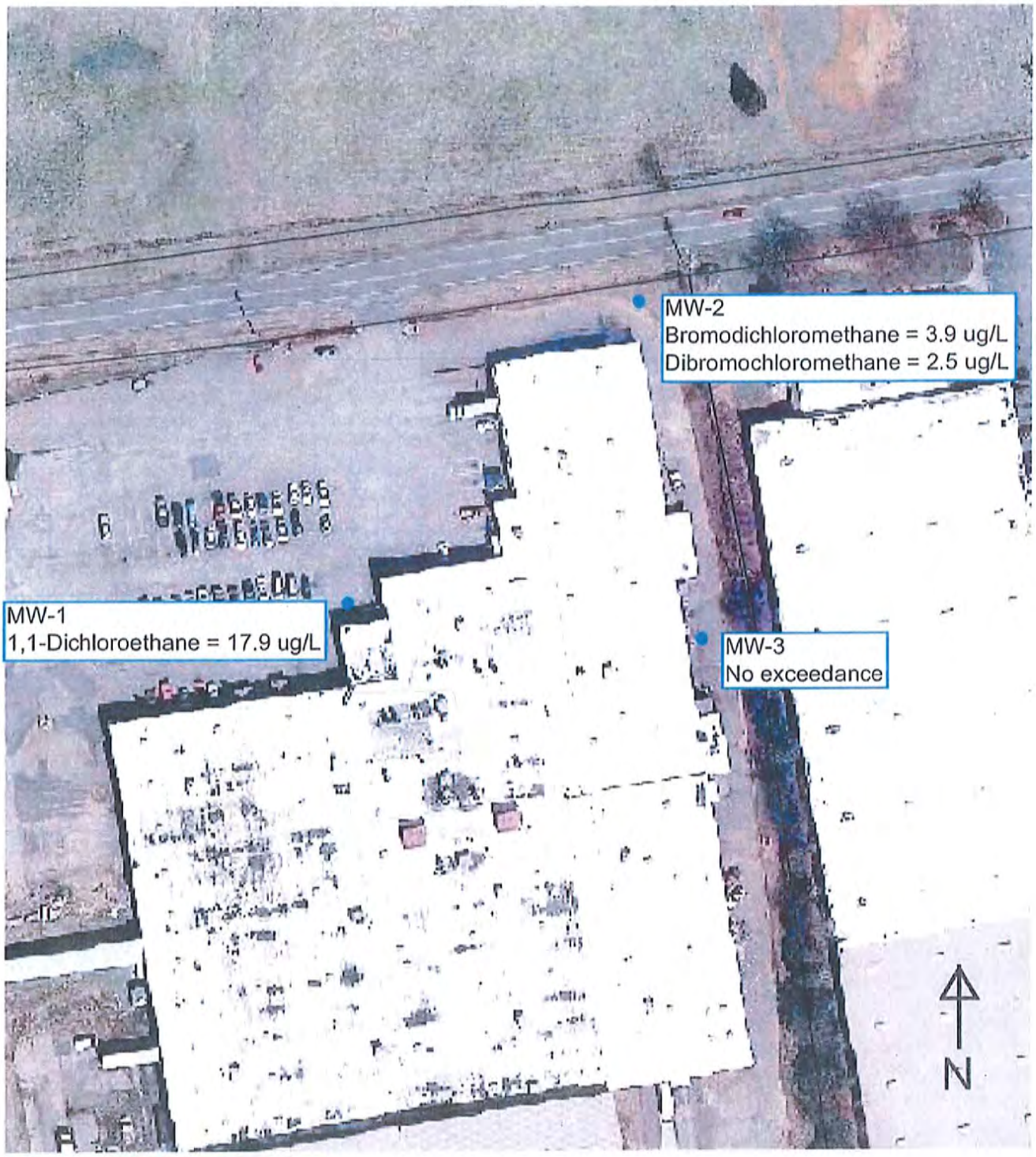
Table 2
Summary of Groundwater Analytical Results
1405 1409 Deborah Herman Road SW and 205 Workman Street SW
Conover, North Carolina, 28613
Vertex Project No. 23742

Location	NCDENR GWSs	Units	VES-3 (OW)	VES-4 (OW)
Sample Date			1/18/2013	1/18/2013
Volatile Organic Compounds (VOCs)				
1,1-Dichoroethane	0.006	mg/l	ND (0.0010)	**0.019**
1,1,2 –Trichloroethane	NL	mg/l	ND (0.0010)	**0.0011**
Other Target VOCs*	CS	mg/l	ND (CS)	ND (CS)
Polynuclear Aromatic Hydrocarbons (PAH)				
All Target PAHs*	CS	mg/l	ND (CS)	ND (CS)
Formaldehyde				
Formaldehyde	0.6	mg/l	ND (0.1)	ND (0.1)

1) ND indicates non detect, detection limit in parenthesis
2) NL = Not listed
3) CS = Compound Specific
4) Units: milligrams per liter (mg/l)
5) Regulatory Criteria: North Carolina Department of Environmental and Natural Resources (NCDENR) Groundwater Standards (GWS) 15A NCAC 2L.0202- dated 1/1/10.
6) * - See Laboratory Analytical Report for a full list of analytes

APPENDIX B

Lane Venture



MW-1
1,1-Dichloroethane = 17.9 ug/L

Well ID and groundwater parameter(s) which exceed NCAC 2L Standards.

ug/L = micrograms per liter
Samples were collected 2/21/13.

Figure 2
Groundwater Quality Map
Lane Venture Plant 14
Conover, NC

APPENDIX C

Photograph 1: View of Plant #9 and Plant #14 buildings.

Photograph 2: View of MW-1 located northwest of Plant #14 building.

Photograph 3: View of MW-2 and subsurface vault associated with fire suppression system, located at the northeast Site boundary.

Photograph 4: View of east side of Plant #14 facing north.

Photograph 5: View of MW-3 along east side of Plant #14.

Photograph 6: View of west side of southern addition to Plant #14 building..

Photograph 7: View of south side of addition to Plant #14 building.

APPENDIX D

United States Bankruptcy Court for the District of Delaware
Furniture Brands International, Inc. Claims Processing Center
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5075
New York, NY 10150-5075

PROOF OF CLAIM FORM

THIS SPACE IS FOR COURT USE ONLY

Filed: USBC - District of Delaware
Furniture Brands International, Inc., Et Al.
13-12329 (CSS) 0000004095

Name of Debtor Against Which Claim is Held:	**Case No. of Debtor:**
LFI Wind Down, Inc.	13-12343

NOTE: *This form should not be used to make a claim for an administrative expense* ***(other than a claim asserted under 11 U.S.C. § 503(b)(9))*** *arising after the commencement of the case. A "request" for payment of an administrative expense* ***(other than a claim asserted under 11 U.S.C. § 503(b)(9))*** *may be filed pursuant to 11 U.S.C § 503.*

Name of Creditor (the person or other entity to whom the debtor owes money or property): North Carolina Division of Waste Management

Name and address where notices should be sent:
N.C. Dept. of Justice, Attorney General's Office
Attn: John R. Green, Jr., Assistant Attorney General
Environmental Division
P.O. Box 629
Raleigh, NC 27602-0629
Telephone number: 919-716-6977 Email Address: jgreen@ncdoj.gov

☐ Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
(*If known*)
Filed on: _____

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

FILED / RECEIVED
MAR - 6 2014
Epiq Bankruptcy Solutions, LLC

Name and address where payment should be sent (if different from above):
N.C. Division of Waste Management
Attn: Charlotte Jesneck
Green Square Complex, DENR Office Bldg.
217 West Jones Street
Raleigh, NC 27603
Telephone number: 919-707-8327 Email Address: charlotte.jesneck@ncdenr.gov

THIS SPACE IS FOR COURT USE ONLY

1. Amount of Claim as of Date Case Filed: $ 4,089,688.13 (Estimated)

If all or part of your claim is secured, complete Item 4.

If all or part of your claim is entitled to priority, complete item 5.

If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

2. Basis for Claim: Environmental Liability - See accompanying documents (*See instruction #2 on reverse side*)

3. Last four digits of any number by which creditor identifies debtor: 2917

3a. Debtor may have scheduled account as: Uncertain.
(*See instruction #3a on reverse side*)

4. Secured Claim (*See instruction #4 on reverse side*)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other
Describe: _____

Value of Property: $_____ Annual Interest Rate _____% ☐ Fixed or ☐ Variable
(when case is filed)

Amount of arrearage and other charges as of time case filed included in secured claim, if any:
$_____

Basis for perfection: _____

Amount of Secured Claim: $_____ Amount Unsecured: $_____

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

☐ Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Wages, salaries or commissions (up to $12,475), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).

☐ Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).

☐ Up to $2,775 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).

☐ Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. § 507(a)(_____).

Amount entitled to priority:

$_____

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): $_____ (*See instruction #6 on reverse side*)

7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (*See instruction #7 on reverse side*)

8. Documents: Attach **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. *(See instruction #8 on reverse side and definition of "**redacted**").*
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.
If the documents are not available, please explain:

9. Signature: (*See Instruction #9 on reverse side*) Check the appropriate box:
☐ I am the creditor ☒ I am the creditor's authorized agent. (Attached a copy of power of attorney, if any) ☐ I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.) ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Dexter R. Matthews Title: Director Company: N.C. Division of Waste Management

Address and telephone number
(if different from notice address above):
Green Square Complex, DENR Office Bldg.
217 West Jones Street
Raleigh, NC 27603

Dexter R Matthews 3-5-14
(Signature) (Date)

Telephone number: 919-707-8238 email: dexter.matthews@ncdenr.gov

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:
Fill in the name of the Debtor in the bankruptcy case, and the bankruptcy case number.
13-12329 Furniture Brands International, Inc.
13-12331 Action Transport, Inc.
13-12332 Broyhill Furniture Industries, Inc.
13-12333 Broyhill Home Furnishings, Inc.
13-12334 Broyhill Retail, Inc.
13-12335 Broyhill Transport, Inc.
13-12337 Furniture Brands Holdings, Inc.
13-12338 Furniture Brands Operations, Inc.
13-12339 Furniture Brands Resource Company, Inc.
13-12340 HDM Furniture Industries, Inc.
13-12341 HDM Retail, Inc.
13-12342 HDM Transport, Inc.
13-12343 Lane Furniture Industries, Inc.
13-12344 Lane Home Furnishings Retail, Inc..
13-12349 Laneventure, Inc.
13-12350 Maitland-Smith Furniture Industries, Inc.
13-12351 Thomasville Furniture Industries, Inc.
13-12352 Thomasville Home Furnishings, Inc.
13-12354 Thomasville Retail, Inc. (F/K/A Classic Design Furnishings, Inc.)

If your Claim is against multiple Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9)
State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.

7. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

9. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim
A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the Claims Agent at one of the following addresses:.

If by First-Class Mail:
Furniture Brands International, Inc. Claims Processing Center
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5075
New York, NY 10150-5075

If by Hand Delivery or Overnight Mail:
Furniture Brands International, Inc. Claims Processing Center
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

Secured Claim Under 11 U.S.C. §506(a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the Claims Agent's system (http://dm.epiq11.com/FBN) to view your filed proof of claim.

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:	)	**CHAPTER 11**
	)	
LFI WIND DOWN, INC.	)	**Case. No. 13-12343 (CSS)**
(F/K/A LANE FURNITURE	)	
INDUSTRIES, INC.),	)	
DEBTOR.	)	

STATEMENT IN SUPPORT OF PROOF OF CLAIM

The North Carolina Division of Waste Management ("Claimant") of the North Carolina Department of Environment and Natural Resources, by and through Roy Cooper, Attorney General, and John R. Green, Jr., Assistant Attorney General, hereby submits this Statement in Support of Proof of Claim in the above-captioned bankruptcy case. In addition, with respect to equitable remedies that are not within the Bankruptcy Code's definition of "claim," 11 U.S.C. § 101(5), this Proof of Claim is filed only in a protective fashion. In support of its Proof of Claim, the Claimant shows the following:

INTRODUCTION

The inactive hazardous substance or waste disposal site that is the subject of this Proof of Claim is located at 1405 Deborah Herman Road, Conover, Catawba County, North Carolina and is known as the Lane Venture Plant 14 Site ("Site") on the Inventory of the Inactive Sites Branch of the Superfund Section of the Claimant.[1]

NOTICE CONCERNING CLAIM

Because of the involvement of Furniture Brands International, Inc. (now FBI Wind Down, Inc.) in the subject contaminated Site and the Bar Date for

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[1] A number of affiliated companies and their cases are being jointly administered for procedural purposes (see http://dm.epiq11.com/FBN/Project#). There are four sites total, including the Lane Venture Plant 14, Henredon Furniture, Broyhill/Furniture Brands, and Thomasville Furniture Sites, over which the Claimant has separate claims.

Governmental Creditors of March 10, 2014, the Claimant is protecting its rights by filing a Proof of Claim against LFI Wind Down, Inc. f/k/a Lane Furniture Industries, Inc. ("Debtor") and a Proof of Claim (same/duplicate claim) against FBI Wind Down, Inc. f/k/a Furniture Brands International, Inc., both of which may be responsible, jointly and severally. Should the Claimant discover that it erred by claiming against a particular debtor, the Claimant intends to withdraw the claim against said debtor. Under no circumstance will Claimant accept: 1) a recovery against a debtor who is not responsible; or 2) a double recovery. The Claimant hereby requests the cooperation of the Debtor, its attorneys and/or other agents, in this regard.

BACKGROUND

1. The Claimant is an agency of the State of North Carolina, established pursuant to the provisions of N.C.G.S. §130A-291.

2. Pursuant to North Carolina's Inactive Hazardous Sites Response Act of 1987, as amended, codified at N.C.G.S. §130A-310, et seq., and authority delegated from DENR, the Claimant is tasked with the responsibility of effecting the assessment and remediation of inactive hazardous substance or waste disposal sites, as defined at N.C.G.S. §130A-310(3). Pursuant to N.C.G.S. §130A-310(3), an "inactive hazardous substance or waste disposal site" means any "facility" as defined at section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601, *et seq.* ("CERCLA/SARA"). Under Section 101(14) of CERCLA/SARA, a facility is anywhere hazardous substances have come to be located. Pursuant to N.C.G.S.

§130A-310.7, a party responsible for an inactive hazardous substance or waste disposal site is liable for the costs of assessing and cleaning up the site.

THE CLAIM

3. Based on the documents regarding the Site submitted to the Claimant, and upon information and belief, the Debtor caused or contributed to releases of hazardous substances at the Site. Therefore, upon information and belief, the Debtor is responsible for all costs of all future necessary response action to assess and remediate the hazardous substances at the Site. The Claimant holds the Debtor jointly and severally liable with any and all other potential responsible parties for all costs of response action at the Site. As shown in his Declaration, David E. Ramey estimates that it will cost $4,089,688.13 to complete environmental assessment and remediation at the Site. Actual costs may vary, depending upon a variety of factors mentioned in the Ramey Declaration. Had the Debtor completed (or hereafter completes) a proper assessment, such cost may be more firmly estimated.

4. The Claimant reserves the right to amend its proof of claim upon obtaining additional information relating to proper name of any responsible party, the identification, nature and quantity of hazardous substances released at the Site, and the cost of the assessment and remediation of those hazardous substances.

INJUNCTIONS AND COMPLIANCE OBLIGATIONS

5. The Claimant is not required to file a proof of claim with respect any injunctive obligation of the Debtor to comply with work requirements and financial assurance obligations imposed by court orders or by environmental statutes, regulations, administrative orders, licenses, or permits, because such obligations are not claims under

11 U.S.C. § 101(5). Upon information and belief, the Debtor is liable for any injunctive and compliance obligations that it may be required to perform under any applicable statues, regulations, consent decrees, and administrative or judicial orders. It is the Claimant's position that a proof of claim is not required to be filed for such injunctive, compliance, and regulatory obligations and requirements for which the Debtor is responsible. The Debtor must comply with any mandatory requirements for which it is responsible. The Claimant reserves the right to take future actions to enforce any such obligations of the Debtor.

DEMAND

6. Based on the foregoing, the Claimant demands that the Debtor allow, and that the United States Bankruptcy Court approve, the Claimant's claim in the amount stated above, with interest as allowed by law dating from the date of this Proof of Claim.

This 5th day of March, 2014.

ROY COOPER
Attorney General

John R. Green, Jr.
Assistant Attorney General
N.C. Department of Justice
Post Office Box 629
Raleigh, NC 27602-0629
Tel.: (919) 716-6977
FAX: 919) 716-6939
jgreen@ncdoj.com
N.C. State Bar # 19040
Legal Counsel for Creditor

LANE VENTURE PLANT 14
Catawba County
NONCD0002917

DECLARATION OF DAVID E. RAMEY

David E. Ramey makes this Declaration, under penalty of perjury, pursuant to 28 U.S.C. § 1746, and states as follows:

1. I am a resident of Iredell County, North Carolina. I am over the age of Eighteen (18), and I am not mentally incompetent.

2. I am a Hydrogeologist with the Inactive Hazardous Sites Branch (IHSB) of the Superfund Section of the Division of Waste Management (DWM) of the North Carolina Department of Environment and Natural Resources (NCDENR). I have been employed by the State of North Carolina for approximately 1 ¾ years. My prior experience includes employment with environmental consulting firms for approximately thirteen years. I received a Bachelors of Science in Geology from the University of Florida.

3. In my position as a Hydrogeologist with the IHSB, I was assigned this matter to review documents and make estimates for the Proofs of Claim being submitted by the DWM regarding four sites in North Carolina. I am authorized by the DWM/IHSB to make this Declaration. I have reviewed the file materials stored in the CARA[3] Portal Online Document System (https://edm.nc.gov/DENR-Portal/), also known as Documentum, which is the DWM/IHSB's online portal for accessing electronic records, in an attempt to reasonably project the costs of an assessment of groundwater (Remedial Investigation) and a remedy (Remedial Action) for an inactive hazardous substance or waste disposal site that the file materials show to be located in Conover, Catawba County, North Carolina (Site). Those file materials are kept in Documentum in the course and scope of the official public business of the NCDENR, DWM, Superfund Section, IHSB. Exhibit 1, discussed below, is a portion of a record stored in Documentum and was downloaded from there. Prior to this assignment, I was the site screener for the IHSB on this Site. In that role, I reviewed the file materials and directed Furniture Brands International, Inc. to continue environmental assessment and cleanup of the Site in the IHSB's Registered Environmental Consultant (REC) Program.

4. Also, I have reviewed documents stored in the course and scope of the official public business of the IHSB for cost comparisons, and the documents that I relied upon (or portions thereof) are attached as Exhibits 2, 4, and 6. Exhibits 3, 5, and 7 are printouts of calculations that I performed using the online U.S. Consumer Price Index (CPI) Inflation Calculator, which adjusts cost estimates from prior years to 2013 values.

5. Exhibit 1 is a Well Location Map of the Site and a Groundwater Quality Map for the Site. These maps were taken from the Groundwater Assessment dated 3/25/13 and received by the NCDENR/DWM/IHSB on 5/9/13. These maps represent the only two figures in the Groundwater Assessment.

6. Based upon my review of the records regarding the Site in Documentum, the Site that is the subject of this Declaration is located at 1405 Deborah Herman Road, Conover, Catawba County, North Carolina. The Site is known as the LANE VENTURE PLANT 14 in the IHSB inventory. The Site was assigned ID # NONCD0002917 in the IHSB inventory. The IHSB's sole source of information for this Site is the data package that was received on 5/9/13. This data package contains the following

three documents: a Groundwater Assessment dated 3/25/13, a Notification of an Inactive Hazardous Substance or Waste Disposal Site dated 4/25/13, and a Site Cleanup Questionnaire dated 5/6/13. The Groundwater Assessment documents that LANE VENTURE PLANT 14, "was built in 1969 and has been used since that time for furniture manufacturing activities." The Groundwater Assessment documents that three 65-foot-deep monitoring wells installed on 2/18/13 and 2/19/13 provide us with all of the information that we know about groundwater conditions onsite. The Groundwater Assessment documents that the following three volatile organic compounds (VOCs) were discovered at concentrations exceeding their corresponding North Carolina Administrative Code (NCAC) 2L Standards in groundwater samples: Bromodichloromethane at 3.9 micrograms per liter (µg/L) versus a 2L Standard of 0.6 µg/L, Dibromochloromethane at 2.5 µg/L versus a 2L Standard of 0.4 µg/L, and 1,1-Dichloroethane at 17.9 µg/L versus a 2L Standard of 6.0 µg/L. On 5/15/13, the IHSB mailed a Notice of Registered Environmental Consultant (REC) Program Eligibility to Furniture Brands International, Inc. That is the extent of the IHSB's records for this Site.

7. Based upon my review:

   a. The environmental assessment performed to date for this Site on file in Documentum is incomplete and does not define the full extent of the contaminant plume in at least groundwater. In summary, the IHSB is aware of groundwater contamination at this Site. Therefore, a Remedial Investigation (RI) and Remedial Action (RA) are required.

   b. Additional environmental assessment is needed to identify the nature and extent of shallow groundwater contamination at the Site. Exhibit 2 is a cost estimate for Cone Mills Site, which shows it was prepared by the environmental consulting firm, Solutions-IES, Inc. The IHSB's records show that Cone Mills Site is another site that required a limited shallow groundwater assessment. Upon information and belief, IHSB staff added the printed words in the two text boxes to this cost estimate to summarize the information that it provides. Exhibit 3 is the printout of the calculation I made using the online U.S. Consumer Price Index (CPI) Inflation Calculator which adjusts the 2008 cost estimate to a 2013 value. Based on the cost estimate for Cone Mills Site and adjusting for inflation using the CPI, I project a 2013 cost estimate for a limited shallow groundwater assessment at the Site to be $35,888.57.

   c. Additional environmental assessment is needed to identify the nature and extent of deep groundwater contamination at the Site. Exhibit 4 is a cost estimate for Atkinson Street Site, which shows it was prepared by the environmental consulting firm, Solutions-IES, Inc. The IHSB's records show that Atkinson Street Site is another site that required a limited deep groundwater assessment. I added the words, "Estimated Costs for an Average Limited Deep (90 ft bgs) Groundwater Assessment (five wells) is about $58,193." in cursive writing to the top of this cost estimate to summarize the information that it provides. Exhibit 5 is the printout of the calculation I made using the online U.S. Consumer Price Index (CPI) Inflation Calculator which adjusts the 2009 cost estimate to a 2013 value. Based on the cost estimate for Atkinson Street Site and adjusting for inflation using the CPI, I project a 2013 cost estimate for a limited deep groundwater assessment at the Site to be $63,512.74.

   d. Groundwater remediation and hydraulic control are needed to address the shallow and deep groundwater contamination at the Site. Exhibit 6 is a cost estimate for Abbott Laboratories, which shows it was prepared by the environmental consulting firm, Matrix Environmental, Inc. The IHSB's records show that Abbott Laboratories is another site

that required groundwater remediation and hydraulic control. I added the words, "Estimated Costs for Groundwater Remediation and Hydraulic Control is about $3,065,794." in cursive writing to this cost estimate to summarize the information that it provides. IHSB staff added the IHSB ID #, "NONCD0000040" in print to this cost estimate to identify the ABBOTT LABORATORIES site. I added the words, "site history" in cursive writing to the second page of this cost estimate (identified as ES-1 at its bottom) to identify where in the three pages that constitute Exhibit 6 site history is discussed. I added the words, "Hydrogen Release Compound" in cursive writing to the top of the third page of this cost estimate to define the acronym, "HRC" in the title of that page. I added the words, "to prevent offsite migration of the groundwater plume" in cursive writing to the top of the third page of this cost estimate to explain the purpose of the Groundwater Interceptor System mentioned in the title of that page. Exhibit 7 is the printout of the calculation I made using the online U.S. Consumer Price Index (CPI) Inflation Calculator which adjusts the 2002 cost estimate to a 2013 value. Based on the cost estimate for Abbott Laboratories and adjusting for inflation using the CPI, I project a 2013 cost estimate for groundwater remediation and hydraulic control at the Site to be $3,990,286.82.

8. Based upon the above-referenced information, based upon my experience, expertise, and belief, and noting that environmental assessment of all media is incomplete, my best total cost projection for additional environmental assessment and cleanup of the Site is $4,089,688.13. The proposed cost estimates above assume the validity and accuracy of available file materials, the similarity to the comparison sites discussed above, and that current property conditions are similar to those reported on 5/9/13. Also, the lack of a complete environmental assessment makes estimating the remediation costs more difficult. If the Site is not contaminated to the extent estimated, then the assessment and remediation costs would be lower. Likewise, if soil contamination is discovered at the Site, if there is more extensively contaminated groundwater discovered, if vapor intrusion issues are found to exist, or if an updated receptor survey reveals impacted or threatened water supply wells, then the proposed cost estimate would require significantly higher projected assessment and remediation costs.

9. The following table summarizes the cost estimates and 2013 inflation-adjusted values which contribute to my best total cost projection for additional environmental assessment and cleanup of the Site:

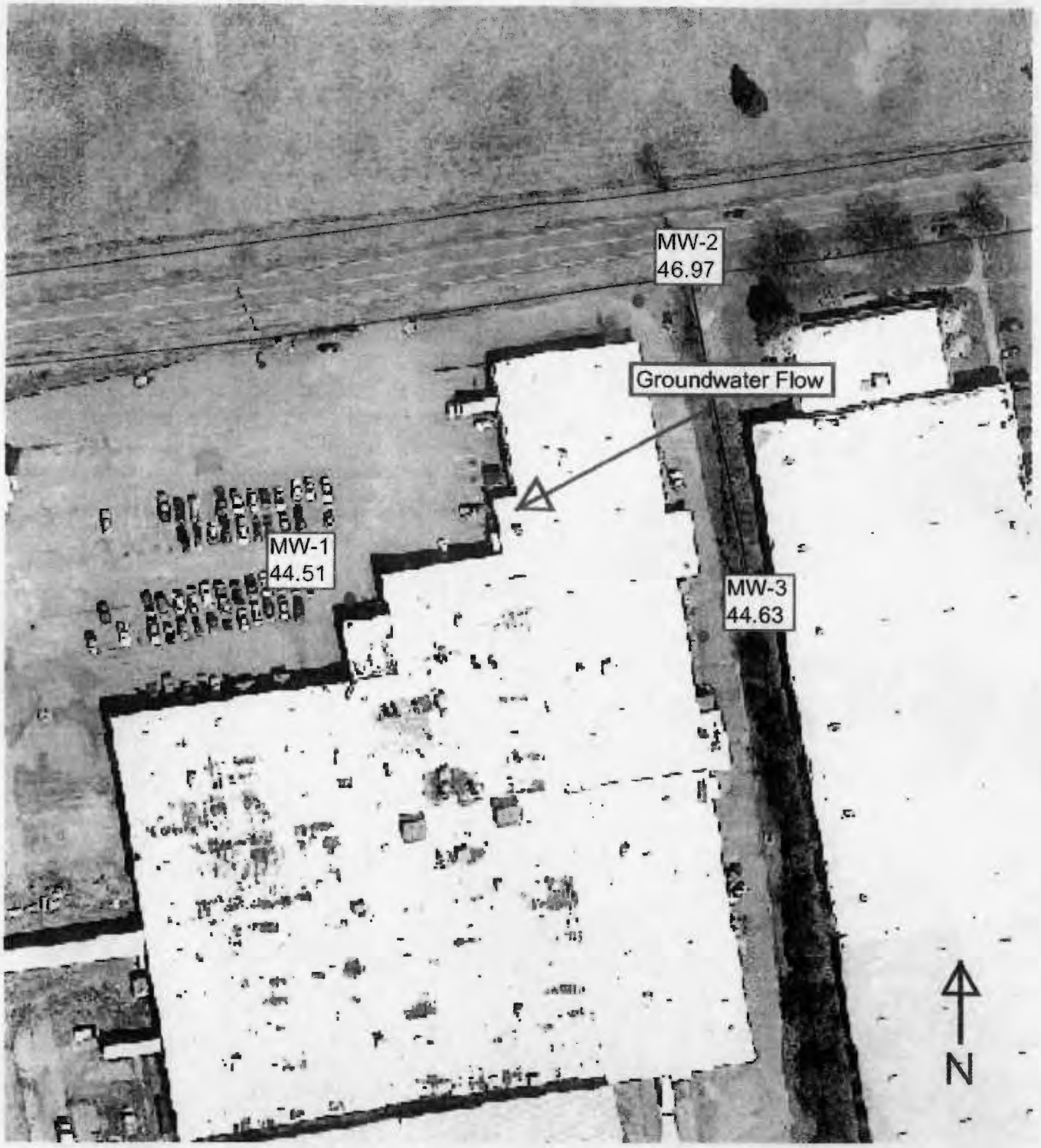
2008 limited shallow GW assessment	$33,000	2013 inflation-adjusted value	$35,888.57
2009 limited deep GW assessment	$58,193	2013 inflation-adjusted value	$63,512.74
2002 GW remed. & hydraulic control	$3,065,794	2013 inflation-adjusted value	$3,990,286.82
Total Estimated Costs of Remedial Investigation (RI) and Remedial Action (RA)			$4,089,688.13

10. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief. Executed on this the 4th day of March, 2014.

David E. Ramey

David E. Ramey
Inactive Hazardous Sites Branch
Superfund Section
Division of Waste Management

Lane Venture

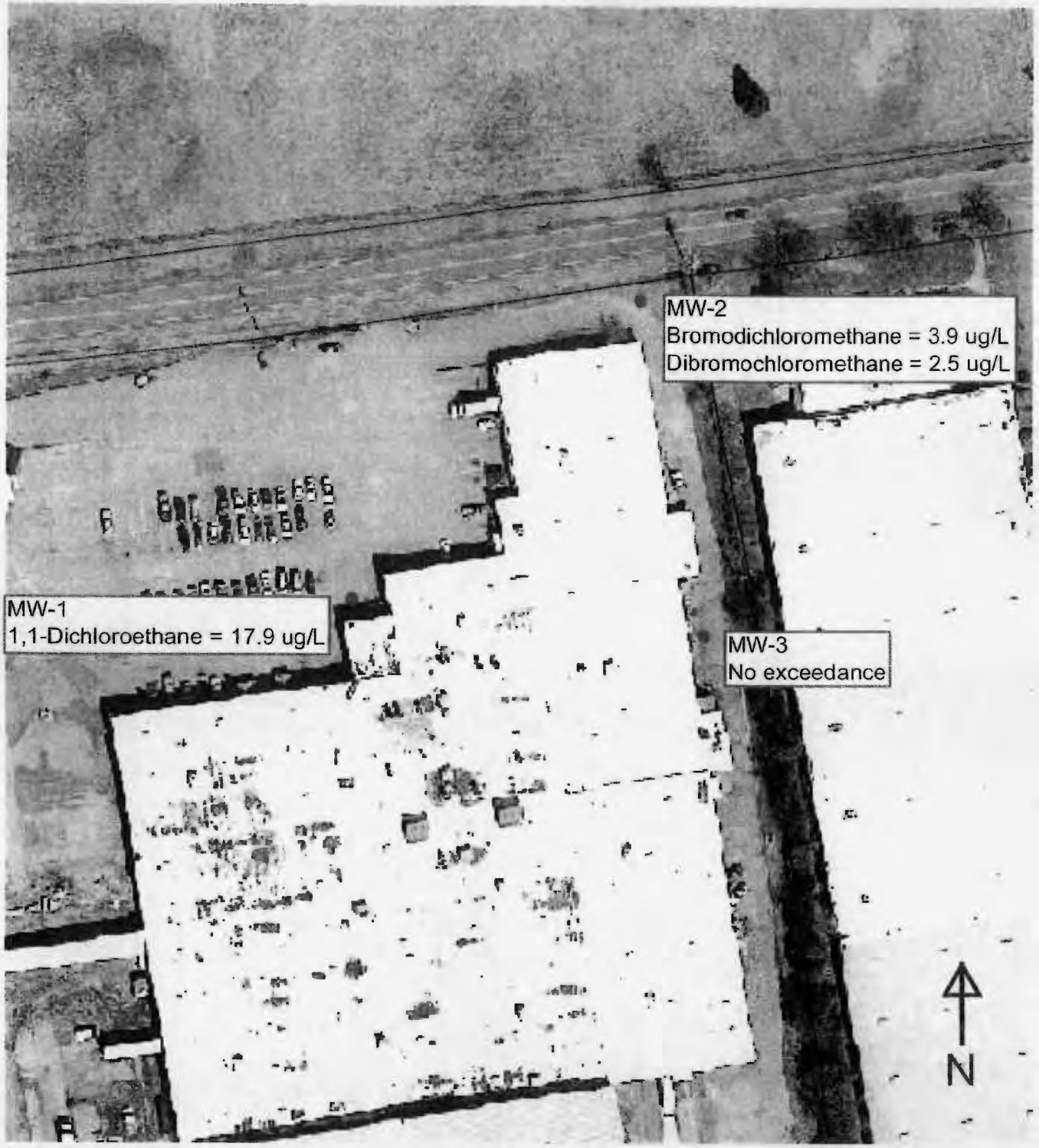


MW-1
44.51 Well ID and groundwater elevation on 2/21/13.

Groundwater elevations are relative to an on-site datum.

Figure 1
Well Location Map
Lane Venture Plant 14
Conover, NC

Lane Venture



MW-1
1,1-Dichloroethane = 17.9 ug/L

Well ID and groundwater parameter(s) which exceed NCAC 2L Standards.

ug/L = micrograms per liter
Samples were collected 2/21/13.

Figure 2
Groundwater Quality Map
Lane Venture Plant 14
Conover, NC

NCDENR

North Carolina Department of Environment and Natural Resources

Dexter R. Matthews, Director — Division of Waste Management — Michael F. Easley, Governor
William G. Ross Jr., Secretary

Division of Waste Management
Superfund Section
Inactive Hazardous Sites Branch

Estimated Costs for an Average Limited Shallow Groundwater Assessment (five wells) is about $ 33,000.

ORPHAN SITES CONTRACT
Task Authorization Form

Task name: Task Authorization #65: For Solutions-IES ("Solutions") to install one monitoring well at Cone Mills site in Haw River.

Task(s) to be performed: In accordance with Solution's IES July 22, 2008, Request for New Task Authorization #65, the Inactive Hazardous Sites ("Branch") has approved Solutions IES to conduct the following tasks:

(1) Locate onsite utilities in area of drilling.

(2) Install Type II temporary monitoring well to a depth of 50 feet using air rotary rig.

(2) Develop, purge, record field parameters and collect one groundwater sample from the monitoring well.

(3) Submit groundwater sample to laboratory and analyze groundwater sample for volatiles and semi-volatiles by US EPA Methods 8260 and 8270, respectively.

(4) Abandoned temporary well.

(5) Containerize IDW.

(6) Submit laboratory results to the Inactive Hazardous Sites Branch.

Maximum authorized expenditures for these items: DWM has authorized $5650 for Solutions IES to conduct the above tasks (items 1-6).

Date of authorization: 7-30-08 **Authorized by:**

Deadline for Completion: October 6, 2008.

To determine Groundwater Assessment:	
RI Costs	$5650 X 5 = $28,250
Disposal of Cuttings	500+
Report Write-up	4,000+
Total Costs Estimate	~ $33,000

1646 Mail Service Center, Raleigh, North Carolina 27699-1646
Phone 919-508-8400 \ FAX 919-715-4061 \ Internet http://wastenotnc.org

CPI Inflation Calculator

$ 33,000.00

in 2008

Has the same buying power as:

$35,888.57

in 2013

Calculate

About this calculator
Mobile Browser? View full screen.

Estimated Costs for an Average Limited Deep (90 ft bgs) Groundwater Assessment (five wells) is about $58,193.

Exhibit 4

Solutions-IES Request for New Task Authorization #74

Atkinson Street Site
109 Atkinson Street
Hamlet, Richmond County, NC
NCD096158696

January 28, 2009

This Request for Task Authorization constitutes an agreement between Solutions-IES, Inc. and the North Carolina Department of Environment and Natural Resources, Division of Waste Management, Inactive Hazardous Sites Branch (hereafter "IHSB") for additional services. In consideration of Solutions-IES' promise to perform additional services and the Client's promise to pay for those services, this Request for New Task Authorization is incorporated into the original Agreement for Services between Solutions-IES and IHSB. The scope of services presented herein is thus incorporated into the original Agreement of Services.

Consultant: Solutions-IES, Inc.	**Client:** NCDENR, DWM, Inactive Hazardous Sites Branch.
Address: 1101 Nowell Road Raleigh, North Carolina 27607	**Address:** 1646 Mail Service Center 401 Oberlin Road, Suite 150 Raleigh, NC 27605
Phone: (919) 873-1060	**Phone:** (919) 508-8479
Fax: (919) 873-1074	**Fax:** (919) 715-3605
E-mail: tlieberman@solutions-ies.com	**E-mail:** keith.snavely@ncmail.net
Solutions-IES Proposal No. NC09925	**Date of Original Agreement:** Orphan Sites Contract Number N03004S; October 15, 2002
Solutions Project No.: 1517.08A3.NCDW	**Project Location:** Atkinson Street Vicinity Hamlet, Richmond County, NC

SCOPE OF SERVICES

The subject site centers around a private residence with a water supply well [screened from 79 to 89 feet below ground surface (ft bgs)] impacted with chlorinated solvents. No source area has yet been determined for the impacts to groundwater. Mr. Keith Snavely of the IHSB would like to conduct initial assessment activities to determine a potential source area with the installation of five groundwater monitoring wells installed to approximately 90 ft bgs. Groundwater, based upon topography and surface water locations, is presumed to flow from north to south. Four industrial sites that may be sources are located upgradient of 109 Atkinson Street and include a CSX switching yard, a Seaboard tank cleaning facility, REXAM plastic container manufacturing facility, and Trinity Manufacturing, Inc. (manufactures soil fumigants). Historical information about the Site has been provided by Mr. Snavely. The scope of work and the cost estimate includes the following activities:

- Correspond with IHSB to discuss project goals and objectives.
- Conduct a pre-investigative site visit with Mr. Keith Snavely of the IHSB to review site conditions, access, potential drilling locations and review overall site conditions.
- Prepare a brief Sampling and Analysis Plan (SAP) detailing the work to be performed.
- Utilities will be located by both North Carolina One-Call and a private locator prior to conducting any intrusive activities at the site.

- Mobilize to the site along with the selected subcontractor, Richard Simmons Drilling of Woodbury, TN, to drill and install five, two-inch diameter monitoring wells to approximately 90 ft bgs utilizing hollow stem augering techniques.
- Drill cuttings will be containerized in labeled drums and staged onsite. If feasible, the drums may be transported to a central location for temporary storage pending characterization sampling results prior to disposal. Each well will be developed by pumping prior to sampling any groundwater.
- Prior to sampling, the monitoring wells will be opened and allowed to equilibrate to static conditions before measuring the depth to water.
- Each well will be purged following "Low Flow" techniques using a peristaltic pump or a bladder pump. Field parameters including temperature, dissolved oxygen, oxidation reduction potential, pH, conductivity and turbidity will also be measured and recorded in the field book approximately every five minutes during purging of the well.
- Samples of groundwater will be collected from the five wells for analysis for volatile organic compounds (VOCs). The samples will be analyzed by Pace Laboratory in Huntersville, NC for VOCs by EPA Method 8260B.
- QA/QC samples will be collected and analyzed as follows:
  - Duplicate groundwater sample (1) – VOCs;
  - Trip Blank (1) – VOCs;
  - Equipment Rinse Blank (1) – VOCs; and
  - Field Blank (1) – VOCs.
- Purge water will be containerized in labeled drums and staged onsite. If feasible, the drums may be transport to a central location for temporary storage pending characterization sampling results and disposal.
- Up to 5 soil and 1 water characterization samples will be submitted to Pace Analytical Services in Huntersville, NC. These samples will be analyzed for TCLP VOCs.
- Disposal of the IDW. Based upon the historical information provided, the IDW disposal estimate assumes that soil and groundwater are nonhazardous. The disposal will incur a site visit by Solutions-IES personnel to sign manifests or certificates of disposal as required by the waste handling subcontractor. A well survey by a licensed North Carolina surveyor will also be conducted during this site visit.
- A brief report of the drilling, well installation, groundwater sampling and findings will be prepared.

SCHEDULE AND COST ESTIMATE

The services listed above are valued at **$58,193.** A cost breakdown is provided on the attached table. Upon authorization by the IHSB, we will begin the process of scheduling the work. Mobilization to Hamlet, NC is presumed to require 1.5 to 2 hours of travel both to and from Raleigh. Field work is scheduled for nine full days. We assume site access agreements are available, all well locations are accessible and IDW drums can be stored at each well location for up to 30 days. The IDW will be containerized and disposed off site. Costs include the collection, analysis, transportation and disposal of up to 25 drums of soil and eight drums of water handled as nonhazardous waste. Laboratory characterization of the IDW will be obtained using a 10 day turnaround time. The characterization as nonhazardous is assumed based on a previous water supply analyses.

Solutions-IES will provide the summary report within four weeks of receiving the analytical results. A cover letter and data tables will be provided along with copies of the analytical reports.

AUTHORIZATION

To authorize Solutions-IES to proceed with these services at the Atkinson Street site in Hamlet, NC please sign this Request for Task Authorization form referencing our proposal no. NC09925 and return it to us. A fully executed copy of the agreement will then be returned to you for your files. The signatures below by IHSB and Solutions-IES authorized representatives represent approval of this new work to the original Agreement for Services and authorization for Solutions-IES to begin these services immediately.

Inactive Hazardous Sites Branch	**Solutions-IES, Inc.**
Name: _____	**Name:** _____
Title: _____	**Title:** _____
Date: _____	**Date:** _____

Attachments: Cost Estimate Table

Personnel	Principal		Project Manager		Sr. Hydrogeol.		S/E IV		S/E III		S/E III (GP oper)		S/E II		ES I		CAD		Admin		Sub - Task Summary		
Rate	119.60		93.67		93.67		81.07		76.64		59.95		54.53		49.46		35.97		50.45				
Sub-Task	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Hr	$	Labor $	Expense	Total
Project Management, File Review, Site Visit, SAP																							
1.1 Project Management	-	$0	4.0	$375	2.0	$187		$0	7.0	$536		$0		$0	-	$0	-	$0	1.0	$50	$1,149	$34	$1,183
1.2 Preliminary Site Visit (including travel)	-	$0	2.0	$187	2.0	$187		$0	12.0	$920		$0		$0	-	$0	-	$0	-	$0	$1,294	$39	$1,333
1.3 Monitor Well Permit Applications (5)	-	$0		$0	2.0	$187		$0	12.0	$920		$0		$0	-	$0	-	$0	-	$0	$1,107	$33	$1,140
1.4 SAP/QAPP	-	$0	2.0	$187	-	$0		$0	6.0	$460		$0	3	$164		$0	2.0	$72	1.0	$50	$933	$28	$961
Subtotal - Limited Assessment Prep.			8.0	$749	6.0	$562	-	$0	37.0	$2,836	-	$0	3	$164	-	$0	2.0	$72	2.0	$101	$4,483	$135	$4,618
Site Visit & Site Assessment																							
2.1 HASP	-	$0		$0	1.0	$94	-	$0		$0		$0	3	$164		$0	-	$0	0.5	$25	$282	$8	$291
2.2 Travel & Lodging	-	$0	-	$0	-	$0		$0	16.0	$1,226		$0	8	$436	8.0	$396	-	$0	-	$0	$2,058	$1,662	$3,720
2.3 Subcontract Laboratory	-	$0	-	$0	-	$0	-	$0		$0	-	$0		$0		$0	-	$0	-	$0	$0	$1,562	$1,562
2.4 Well Installation/Drilling (includes utility locate)			4.0	$375		$0		$0	90.0	$6,898		$0	8	$436	8.0	$396			0.5	$25	$8,129	$29,196	$37,325
2.5 Well Survey (surveyed during IDW disposal)	-	$0	-	$0	-	$0	-	$0	-	$0	-	$0	8	$436		$0		$0	-	$0	$436	$1,663	$2,099
2.6 Environ. Field Equip Rental & Expendables	-	$0	-	$0	-	$0	-	$0	-	$0	-	$0	2	$109		$0		$0	-	$0	$109	$1,523	$1,632
2.7 GW Sampling and IDW disposal	-	$0	-	$0	-	$0	-	$0	4.0	$307	-	$0	8	$436	8.0	$396		$0	0.5	$25	$1,164	$2,759	$3,922
Subtotal - Limited Assessment	-	$0	4.0	$375	1.0	$94	-	$0	110.0	$8,430	0.0	$0	37.0	$2,018	24.0	$1,187	-	$0	1.5	$76	$13,179	$36,373	$50,552
Site Assessment Report Preparation																							
3.1 Prepare Report	-	$0	2.0	$187	1.0	$94		$0	25.0	$1,916		$0	6	$327		$0	10.0	$360	1.0	$50	$2,934	$88	$3,022
Subtotal - Prepare Site Assessment Report	-	$0	2.0	$187	1.0	$94		$0	25.0	$1,916	-	$0	6	$327	-	$0	10.0	$360	1.0	$50	$2,934	$88	$3,022
Task Total	-	$0	14.0	$1,311	8.0	$749	-	$0	172.0	$13,182	-	$0	46.0	$2,508	24.0	$1,187	12.0	$432	4.5	$227	$19,597	$38,596	$58,193

CPI Inflation Calculator

$ 58,193.00

in 2009

Has the same buying power as:

$63,512.74

in 2013

Calculate

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STATE FILE

Matrix Environmental, Inc.

Estimated Costs for Groundwater Remediation is about $3,065,794.

Abbott Laboratories

NO NCD 0113 040

and Hydraulic Control

Abbott Laboratories
Laurinburg, North Carolina

REMEDIAL ACTION PLAN AMENDMENT

June 2002

Prepared for:

Abbott Laboratories
200 Abbott Park Road
Abbott Park, Illinois 60064

Prepared by:

Matrix Environmental, Inc.
357 North Milwaukee Avenue, Suite A
Libertyville, Illinois 60048

EXECUTIVE SUMMARY

This Remedial Action Plan amendment (the RAP Amendment) for remediation of groundwater at the Abbott Laboratories, Inc. (Abbott) facility located in Laurinburg, North Carolina (the Site) was prepared in accordance with an Administrative Order of Consent between Abbott and the State of North Carolina. This RAP Amendment presents proposed changes to the initial Remedial Action Plan (the initial RAP) that was approved by the North Carolina Department of Environment, Health and Natural Resources (NCDENR) on 6 January 1995. Specifically, this RAP Amendment includes the following:

- Summary and status of remedial actions implemented.
- Updated groundwater Remedial Action Objectives.
- Identification of *in situ* groundwater remediation technologies unavailable in 1994.
- Comparative analysis of current groundwater remediation technology and *in situ* groundwater remediation technologies.
- Amended Remedial Action Plan for groundwater remediation at the Site.

site history

Historically Abbott reportedly used an evaporation pit for solvents from its manufacturing operations from 1970 to 1976. Solvents disposed of in the pit reportedly included methylene chloride, trichloroethene, methyl ethyl ketone, cyclohexanone, toluene, acetone, and Freon 113. In the initial RAP, the remedial action strategy included a source area (former pit area) component and a groundwater treatment component. The source area treatment was implemented because residual solvents in the former pit area represented a continuing source of groundwater impact. A groundwater treatment component was implemented to address the impacted groundwater.

Impacted groundwater appears to flow through two key units at the Site – a less permeable "shallow" unit extending approximately 15 feet to 22 feet below ground surface (bgs) and a more permeable "deep" unit underlying the upper unit that extends to approximately 75 feet bgs.

Hydrogen Release Compound

In Situ HRC Bioremediation and Groundwater Interceptor System Costs

to prevent offsite migration of the groundwater plume

Capitol Costs		
	Supplemental Downgradient Plume Characterization	$50,000
	Installation of Phase I Monitoring Wells	$30,000
	HRC Injection Phase I	$450,000
	Phase I Groundwater Monitoring (8 events)	$142,000
	Installation of Phase II Monitoring Wells	$30,000
	HRC Injection Phase II	$297,000
	Phase II Groundwater Monitoring (8 events)	$142,000
	HRC Injection Phase III	$196,020
	Phase III Groundwater Monitoring (8 events)	$297,000
	Design (15%)	$245,103
	20% Contingency	$326,804
	Total	$2,205,927
Operation and Maintenance Annual Costs		
	Semi-annual Groundwater Monitoring & Reporting	$50,000
	Monthly POTW Sampling and Reporting	$20,000
	O&M of groundwater extraction & treatment units	$50,000
	Annual Costs	$120,000
	20% Contingency	$24,000
	Total Annual Costs	$144,000
	Present Worth 8 year period, 7% discount rate	$859,867
	Total Project Present Worth	**$3,065,794**

CPI Inflation Calculator

$ 3,065,794.00

in 2002

Has the same buying power as:

$3,990,286.82

in 2013

Calculate

About this calculator
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ROY COOPER
Attorney General

State of North Carolina
Department of Justice
PO Box 629
Raleigh, North Carolina
27602
(919) 716-6977

Reply to:
John R. Green, Jr.
Environmental Division
Tel: (919)716-6977
Fax: (919)716-6767

March 5, 2014

VIA FEDERAL EXPRESS OVERNIGHT
FBI Wind Down, Inc. (f/k/a Furniture Brands International, Inc.) Claims Processing Center
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

Re: LFI Wind Down, Inc. (f/k/a Lane Furniture Industries, Inc.)
Case No. 13-12343

Dear Sir(s) or Madam(s):

Regarding the above-referenced bankruptcy proceeding, please find enclosed a Proof of Claim with a Statement in Support and a Declaration attached thereto. Please file it.

Also enclosed is a copy of the Proof of Claim with attachments. Please return the copy with a notation "stamped filed" or other proof of receipt, in the enclosed stamped, self-addressed envelope.

PLEASE CALL ME WITH ANY QUESTIONS: JOHN GREEN (919) 716-6977. Thank you and kindest regards.

Sincerely,

John R. Green, Jr.
Assistant Attorney General

Align top of FedEx Shipping Label or ASTRA Label here.

FedEx Express

Align bottom of Variable Length or Peel and Stick Airbill here.